

CITY OF PORTLAND
LEGISLATIVE REPORT



2010
SPECIAL SESSION

CITY OF PORTLAND COUNCIL:

**MAYOR SAM ADAMS
COMMISSIONER AMANDA FRITZ
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CITY OF PORTLAND

2010 SPECIAL SESSION LEGISLATIVE REPORT

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INTRODUCTION

2010 Special Session

On Thursday, February 25th, the 2010 Special Legislative Session came to a close, one day ahead of its targeted date for adjournment. Foreseeing the need to address state budget issues, legislators set the wheels in motion for the session prior to adjournment of the 2009 regular session. Through the implementation of strict deadlines and limitations on the number of bills that could be introduced, legislative leadership established strict guidelines that kept the 25 day session on track.

The balance of power remained the same as during the 2009 regular session – Senate Democrats held an 18-12 supermajority and House Democrats held a 36-24 supermajority. Senate President Peter Courtney, Senate Majority Leader Richard Devlin and Senate Republican Leader Ted Ferrioli comprised the Senate leadership, while Speaker of the House Dave Hunt, House Majority Leader Mary Nolan, and House Minority Leader Bruce Hanna continued to serve as the leadership in the House.

Over the course of the session, the legislature introduced 215 bills, of which 119 passed both chambers and were sent to the Governor. Economic recovery and job creation were central themes of the session. Additionally, following a revenue forecast showing a hole of \$174 million in the state budget, the Ways and Means Committee focused on rebalancing the budget, despite passage of Measures 66 and 67 in the January 2009 special election. The shortfall was addressed through a combination of emergency reserve funds, sweeps of agency funds, and reforms to the state's Business Energy Tax Credit (BETC). While the Governor urged support for reforms to the personal and corporate kicker, the legislature did not take up the issue in the short session. Finally, in the concluding moments of the session, legislators referred a constitutional amendment to voters that would establish annual legislative sessions.

Among the many pieces of legislation on which the City of Portland was actively engaged, there were a number of successes. A few of these successes include:

- **BETC Reform (HB 3680)** – Protected City of Portland projects and programs from substantial impacts as a result of legislative changes to the program.
- **Tax Abatements (SB 1015)** – Grandfathered existing tax abatements for multi-family housing with commercial components and transit-oriented developments; affects 19 properties within the City of Portland that had been granted the abatement prior to an opinion from the Attorney General's office calling the program into question.
- **Oregon Sustainability Center (SB 5563)** – Technical corrections to legislation passed during 2009 session that provided authority for \$80 million in Title XI-F bonds for the Oregon Sustainability Center.

- **Preservation of Shared Revenues** – despite budget constraints, the City’s share of cigarette, liquor and 9-1-1 revenues remained untouched.
- **Department of Public Safety Standards and Training (HB 5100)** – \$700,000 in funding for two additional DPSST training classes.
- **Technical Fixes** to 2009 legislation – 2009 Jobs and Transportation Act (HB 2001), the Energy Efficiency and Sustainable Technology program (EEAST), and metal theft legislation.
- **Oregon Business Development Fund (SB 1017)** – eases businesses access to loans available through the Oregon Business Development Fund.
- **Employment Related Credit Checks (SB 1045)** – Prohibits the use of credit checks in the hiring process. Exemptions made for public safety offices.

In addition to these successes, the City was involved in a number of bills which did not move forward, such as SB 1050, which would have required government agencies and any other entity receiving public funds to use items manufactured in the United States. Additionally, the City testified on bills that would have increased the authority of the Oregon Liquor Control Commission to step up enforcement against problem establishments (SB 1026), prohibited the production or sale of food products or containers intended for the use of children that contain Bisphenol A (SB 1032 and HB 3703), and prohibited the use of plastic shopping bags (SB 1009). While none of these bills passed, they will likely be issues that will arise during the 2011 legislative session.

The Office of Government Relations is thankful to the Mayor, members of the City Council, Council staff, Bureau Directors, Legislative Liaisons, and many other bureau staff for their hard work and responsiveness during the special session. We look forward to working with all of you as we begin the process of developing the City’s agenda for the 2011 legislative session. Thank you very much for your efforts. We are proud to represent the City of Portland.

BENEFITS

HB 3622 – Insurance for Accidental Death and Dismemberment

This bill would have excluded accidental death and dismemberment insurance from the definition of “health plan” for the purposes of calculating insurance premium assessments. Upon introduction, the bill was referred to the House Health Care Committee where it did not receive a hearing and remained upon adjournment.

HB 3631 – Insurance Discrimination Against Victims of Domestic Violence

HB 3631 was introduced at the request of the Attorney General’s Sexual Assault Task Force, based on their finding that nearly 37 percent of health care costs may be attributed to sexual assault. The bill prohibits health care insurers from treating injuries from sexual violence as a preexisting condition for coverage, underwriting, or rating purposes. HB 3631 moved through both chambers with unanimous support.

Effective: March 18, 2010
Chapter 67

BUILDING CODES

HB 3600 – Processing Fees for Review of Development Permits

Currently, statutes require local governments to charge fees to process development review permits and require that the fee be no more than the actual or average cost of providing the service. HB 3600 would have allowed local governments to charge an additional fee for premium services, such as expedited processing. The bill prohibited local governments from requiring that applicants use the premium services and included a provision establishing a sunset date of January 2, 2015. After passing the House unanimously, the bill was referred to the Senate Education and General Government Committee, where it received a hearing and work session but remained upon adjournment.

SB 1025 – Radon in Buildings

This bill requires that new housing built in Multnomah County and six other counties that have radon levels that can cause long-term health effects, include radon mitigation measures. SB 1025 also requires that information regarding the risks of radon exposure be made available to potential buyers of existing homes. At hearings in each chamber, the City submitted letters of support. The bill passed in both the Senate and the House by wide margins.

Effective: March 18, 2010
Chapter 83

CONSUMER PROTECTION

HB 3615 – Unlawful Trade Practices Act

The Unlawful Trade Practices Act is designed to protect consumers from businesses that fail to deliver all or a portion of goods or services, as promised. HB 3615 would have expanded the Act to include to real estate goods and services provided by mortgage bankers, mortgage brokers, and loan originators. While the bill did not garner enough votes to move out of committee, the House Revenue Committee introduced HB 3706 (see below), an identical bill which was referred to a different committee and was ultimately adopted by both chambers.

HB 3694 – Billing of Utilities by Residential Landlords

In 2009, legislators adopted SB 772, which modified the allowable billing methods for utilities and services (such as, water, sewer and garbage) in a manufactured dwelling park. HB 3694 clarified that if a landlord of a manufactured dwelling park was using a pro rata apportionment billing method for water or services immediately prior to the implementation of SB 772 on January 1, 2010, the landlord may continue to do so for tenants whose rental agreements provide for such a billing method. After passing the House by a significant margin, the bill was referred to the Senate Judiciary Committee where it received a hearing and work session but did not advance prior to adjournment.

HB 3706 – Expansion of the Unlawful Trade Practices Act

Oregon's primary consumer protection law, the Unlawful Trade Practices Act, is designed to protect consumers from businesses that fail to deliver all or a portion of goods or services as promised. Specifically, the Act addresses instances where there is: (1) a likelihood of confusion or misunderstanding about products or services; (2) use of deceptive representations or designations; (3) representation of goods as meeting standards they do not; or (4) false or misleading representations about products or services. HB 3706 expands the Unlawful Trade Practices Act to include real estate goods and services provided by mortgage bankers, mortgage brokers, and loan originators. The bill passed both chambers by narrow margins.

Effective: March 23, 2010
Chapter 94

SB 993 – Payday Lending

Currently, statutes regulating payday and title lenders are codified in the same ORS sections as statutes relating to traditional finance companies. While substantively similar to current regulations, SB 993 moves and reorganizes current law, separating these statutes from those relating to traditional finance companies. The bill received unanimous support in both chambers.

Effective: March 4, 2010
Chapter 23

ECONOMIC DEVELOPMENT

HB 3604 – Oregon Business Development Fund

The Oregon Business Development Fund is a revolving loan fund that provides long-term fixed-rate financing for land, buildings, equipment, machinery and permanent working capital. The fund focuses primarily on rural and distressed areas and businesses with fewer than 50 employees. The fund is administered by the Oregon Business Development Department.

HB 3604 would have made a number of changes to the administration of loans, including: (1) allowing the total amount of money loaned to exceed 50 percent of the project costs in cases where two or more lenders have denied financing for more than 50 percent of project costs and the only other financing available totals less than 50 percent; (2) expanding authorization to loan money from the Fund without a commitment from a commercial or private lender or local development group; and (3) increasing the authorization to loan up to \$250,000. A provision was included which sunsets the bill on July 1, 2011. The bill received a hearing and work session in the House Sustainability and Economic Development Committee, and was then moved to the Joint Ways and Means Committee with a “do pass” recommendation. The bill remained in the Joint Ways and Means Committee upon adjournment. A similar bill, SB 1017 (see pg. 6) was approved by both chambers

HB 3609 – Enterprise Zone Requirements

This bill grants an enterprise zone sponsor the ability to relax the requirements for a business that qualifies for a property tax exemption and is located within the enterprise zone. Specifically, the enterprise zone sponsor may relax the minimum employment requirement and extend the eligible period of property tax exemption for up to two additional years. A provision in the bill specifies that the relaxation of these requirements may only occur during an economic downturn and in an area of the state in which the unemployment rate is 2 percent higher than the statewide average.

Effective: May 27, 2010
Chapter 39

HB 3644 – Economic Gardening

HB 3644 establishes the Task Force on Stage Two Business Development and Economic Gardening. The Economic Gardening model seeks to create jobs by

supporting the growth of existing companies in a community, connecting entrepreneurs to resources, encouraging the development of essential infrastructure and providing entrepreneurs with needed information. The bill directs the 15-member task force to return to the Legislature in 2011 with recommendations. At a hearing in the House Sustainability and Economic Development Committee, the PDC weighed in with support for the bill. HB 3644 passed both chambers handily.

Effective: March 23, 2010
Chapter 90

HB 3683 – New Market Tax Credits

This bill would have established an Oregon New Markets Development Program, charged with providing tax credits to investors who make “qualified equity investments” (QEI) in Community Development Entities (CDE). CDE’s would have then been required to invest the proceeds of the QEI’s in low-income community businesses. Upon introduction, the bill received two hearings in the House Revenue Committee, where it remained upon adjournment.

HB 3698 – Building Opportunities for Oregon Small Business Today

In response to the continued challenges facing the Oregon economy and many small businesses, legislators introduced HB 3698 which establishes the Building Opportunities for Oregon Small Business Today (BOOST) account. The BOOST account falls within the Oregon Business Development Fund which is administered by the Business Development Department. Eligible loan applicants must have a reasonable capacity to expand employment in the state, have the goal of providing full-time jobs, and have a history of doing so. Funding for the BOOST account is provided by the Tax Enforcement Fund. A provision of the bill sunsets the program on June 30, 2013.

Effective: May 27, 2010
Chapter 93

SB 1017 – Economic Development Loans

Similar to HB 3604, this bill permits the Oregon Business Development Fund (OBDF) to administer a loan for more than 50 percent of project costs if the applicant has been denied by two or more lenders, and has no other financing options available. SB 1017 also increases the maximum amount of an OBDF loan from \$ 100,000 to \$ 250,000 and expands eligibility for entrepreneurial development loans to include all existing businesses that grossed less than

\$500,000 in the previous year. The provisions of the bill will sunset on July 1, 2011. The bill passed both chambers by narrow margins in the final days of the session.

Effective: April 1, 2010
Chapter 106

ENERGY

HB 3608 – Biomass Tax Credits

This bill would have established tax credits for: (1) the transportation of woody biomass from forest management operations to a biofuel producer; (2) biomass electrical generation based on kilowatt hours of electricity produced; and (3) the purchase of equipment to collect or process waste materials or to manufacture product from waste materials. Additionally, HB 3608 would have directed the Oregon Department of Energy to conduct a study of biomass facility sites throughout Oregon. The bill was referred to the House Committee on Agriculture, Natural Resources and Rural Communities, where it did not receive a hearing and remained upon adjournment.

HB 3633 – Community-based Renewable Energy Projects

Currently, Oregon statutes establish a goal of having eight percent of the state's retail electrical load come from community-based renewable energy projects by the year 2025. As originally drafted, HB 3633 would have clarified the goal, specifying that at least half of the eight percent goal come from tidal energy sources. As amended, by the House Sustainability and Economic Development Committee, HB 3633 requires the Department of Land Conservation and Development (DLCD) to conduct a study that will examine how to best develop commercially viable marine resources and return to the legislature with policy recommendations. The bill received broad support in both chambers.

Effective: March 18, 2010
Chapter 68

HB 3649 – Low-Impact Hydroelectric Power

SB 838, which was passed by the Legislature in 2007, established the state's Renewable Portfolio Standard (RPS). The RPS requires that all utilities and electricity service suppliers serving Oregon include in their portfolios of power sold to retail customers a percentage of electricity generated from qualifying renewable sources. HB 3649 expands the sources of power that may qualify under the RPS, permitting pre-1995, non-utility-owned, certified low-impact hydroelectric power facilities to qualify. The bill advanced through both chambers with unanimous support.

Effective: January 1, 2010
Chapter 71

HB 3651 – Prevailing Wage Rates for Solar Energy Systems

HB 3651 expands prevailing wage rate laws to solar energy projects that are publicly owned. Specifically, the bill includes in the definition of “public works,” the construction or installation of an individual or combination of devices, structures, or mechanisms that use solar radiation for electricity generation on land owned by a public body. The Bureau of Labor and Industries (BOLI) will be responsible for implementing the expansion.

Effective: March 10, 2010
Chapter 45

HB 3674 – Renewable Portfolio Standard: Biomass

The state’s Renewable Portfolio Standard (RPS) was adopted by legislators in 2007 (SB 838). The RPS requires that all utilities and electricity service suppliers serving Oregon’s load include in their portfolio of power sold to retail customers a percentage of electricity generated from qualifying renewable energy sources. HB 3674 allows electricity generated from a facility using biomass, which became operational before January 1, 1995, to comply with Oregon’s RPS if it meets federal requirements. This bill represents a compromise between the biomass industry and the proponents of the RPS. The bill, which also contains several technical fixes to Oregon’s RPS, received unanimous support in both chambers.

Effective: March 4, 2010
Chapter 17

HB 3675 – Energy Efficiency and Sustainable Technology (EEAST) Program

HB 3675 provides technical corrections to the Energy Efficiency and Sustainable Technology (EEAST) program, which creates an on-bill financing system for homeowners to make energy efficiency upgrades. The City supported the bill in both chambers and highlighted how Portland’s Clean Energy Works program shows the promise of EEAST statewide. The bill received nearly unanimous support in both chambers.

Effective: March 23, 2010
Chapter 92

HB 3680 – Business Energy Tax Credit Reforms

Reforming the state’s Business Energy Tax Credit (BETC) Program was among the most controversial topics of the 2010 session. The final bill, HB 3680, included several changes to the program including: (1) a \$ 300 million program cap for renewable energy for this biennium; (2) increased oversight by the Oregon Department of Energy (ODOE) over BETC applications submitted after July 1, 2009; (3) a phase-out of subsidies for large wind development projects; (4) an extension of the sunsets for manufacturing facilities and conservation and renewable energy projects to January 1, 2014 and January 1, 2012, respectively; (5) a new credit for electric vehicle and component manufactures for up to \$2.5 million of project costs; (6) a phase-in of the manufacturing credit; and (7) a program cap of \$200 million for the manufacturing credit. Throughout the course of the session, the City was actively engaged in discussions with stakeholders and legislators regarding the City’s interests in the program. The bill passed both chambers and has been signed by the Governor.

Effective: May 27, 2010
Chapter 76

HB 3690 – Feed-in Tariff for Photovoltaic Systems

This bill provides technical corrections to legislation passed during the 2009 legislative session (HB 3039) which establishes a feed-in tariff pilot program for small solar projects. Specifically, the bill defines eligible residential systems as those with a capacity no greater than 10 kilowatts, and small commercial systems as those with a capacity between 10 and 100 kilowatts. Additionally, the bill enables the Public Utility Commission (PUC) to adjust deployment targets for photovoltaic programs participating in the pilot.

Effective: March 18, 2010
Chapter 78

HB 3691 – Renewable Portfolio Standard Compliance

In 2007, legislators passed SB 838, which established the state’s Renewable Portfolio Standard (RPS). Included in the legislation was language which enables utilities to recover “prudently incurred costs” associated with compliance with the RPS through electricity rates. The bill, however, did not specifically cite “above-market costs,” which are defined as the difference between what electric power produced by a project is worth at standard rates, and what it actually costs

to produce the power. This bill provides clarification, allowing above-market costs to be included.

Effective: March 18, 2010
Chapter 79

SB 995 – Renewable Portfolio Standard: Municipal Solid Waste

This bill would have expanded the types of facilities that are eligible to comply with the state's renewable portfolio standard (RPS) to include those that generate electricity by using biomass or combusting municipal solid waste. Upon introduction, SB 995 was referred to the Senate Business and Transportation Committee, where it remained upon the legislature's adjournment. A similar bill, HB 3674 (see pg. 9), which includes biomass in the state's RPS, was adopted during the session.

ENVIRONMENT & WATER

HB 3606 – Electronics Recycling

In 2007, the Legislature passed HB 2626, the “E-Waste” bill, which established a statewide recycling program for specific electronic devices. The bill required manufacturers to provide free recycling for televisions and desktop and portable computers. The Department of Environmental Quality (DEQ) administers the program and gives manufacturers the option of either paying a recycling fee to participate in the State Contractor Program (SCP) or joining a manufacturer-run program that pays its own costs. Currently, the cost of participating in the SCP is calculated differently for television manufacturers than other electronic manufacturers, with rates based on market share. This difference has led those manufacturers with market share to leave the state program. HB 3606 changes this distribution, specifying that the total recycling weight assigned to all television manufacturers in the state is based on respective market share.

Effective: March 10, 2010
Chapter 38

HB 3661 – Exempt Ground Water Uses

This bill would have reduced the amount of ground water permitted for single domestic use from 15,000 gallons per day to 5,000 gallons per day. The bill included watering of lawns and non-commercial gardening areas in the uses subject to the total cap. Permits would be necessary for the use of more than 5,000 gallons in a day. The bill was referred the House Environment and Water Committee, where it received a public hearing and work session, but remained upon adjournment.

HB 3703 – Ban on Containers Made with Bisphenol A

This bill would have prohibited the production, distribution or sale of food products in containers that are made with Bisphenol A (BPA) and containers (made with BPA) designed to hold food or liquids, if the products are intended for children under three years of age. The bill was introduced in the House after a similar bill in the Senate failed to receive enough votes on the floor to pass. At a hearing in the House Rules Committee, the City submitted a letter of support. The bill remained in Committee upon adjournment of the legislative body.

SB 986 – Willamette River Cleanup Authority

SB 986 proposed to add a Vice-Chair position to the Willamette River Cleanup Authority, and allow the Vice-Chair to call meetings of the group. Upon introduction, the bill was referred to the Senate Environment and Natural Resources Committee where the City and the Portland Development Commission testified to the importance of the larger issues at stake in the Portland Harbor clean-up. SB 986 did not advance out of committee prior to the Legislature's adjournment.

SB 1009 – Plastic Bag Ban

SB 1009 would have established a statewide ban on the use of plastic bags at the checkout counter of a retail establishment. Upon introduction, the bill was referred to the Senate Environment and Natural Resources Committee. Mayor Adams indicated his support for the bill at a public hearing. However, proponents withdrew the bill citing the inability to reach consensus in the short session but pledged to continue to work on the issue in the 2011 legislative session.

SB 1020 – Removal-Fill Permitting Program

This bill would have amended the definition of "applicant" for the purposes of the Department of Environmental Quality (DEQ) Removal-Fill Permitting Program. Specifically, the bill would have removed "landowner" from the definition of applicant. The bill was referred to the Senate Environment and Natural Resources where it did not receive a hearing and remained upon adjournment.

SB 1032 – Ban on Bisphenol A in Children's Food Products

As originally drafted, this bill would have prohibited the production, distribution or sale of food products in containers that are made with Bisphenol A (BPA) and containers (made with BPA) designed to hold food or liquids, if the products are intended for children under three years of age. At a hearing in the Senate Environment and Natural Resources Committee, where a letter from the City was submitted in support, the bill faced considerable opposition. Amendments were adopted that removed the provisions related to food products but kept intact the components related to containers intended for food and liquids that are consumed by children less than three years of age. Once on the Senate floor, the bill came within one vote of passage. Upon failure of SB 1032, a similar bill was introduced in the House (see HB 3703 on pg. 12).

SB 1057 – Fish Passage for Hydroelectric Projects

SB 1057 would have exempted hydroelectric projects from additional requirements to install fish screens, by-pass devices, or fish passages if the projects do not create a change in stream conditions that adversely affect fish. The exemption would have only been applicable to projects that are already exempted from federal regulation and are located within existing artificial delivery systems. Upon introduction, the bill was referred to the Senate Environment and Natural Resources Committee. The bill did not receive a public hearing and remained in Committee upon adjournment.

SB 1059 – Metropolitan Planning Organization Greenhouse Gas Emissions

During the 2009 session, legislators approved HB 2186 which established the Metropolitan Greenhouse Gas Emissions Task Force. The Task Force was charged with evaluating alternative land use and transportation scenarios that would meet community growth needs while reducing greenhouse gas emissions. SB 1059 is a result of the Task Force and embodies its recommendations.

Senate Bill 1059 requires the Department of Land Conservation and Development (DLCD), along with the Oregon Department of Transportation (ODOT), to develop guidelines to aid in achieving emission reduction goals that have been set in statute. The bill requires the two departments to develop a toolkit to help local government planners address the emissions reductions goals. DLCD is also required to adopt rules identifying reduction targets for each Metropolitan Planning Organization (MPO). The rules must address equitably allocating reductions across metropolitan planning areas. The Portland MPO was excluded from this bill as it was already included in the greenhouse gas requirements in HB 2001, the transportation package passed in the 2009 session. Finally, SB 1059 requires DLCD and ODOT to make a joint report to the 2011 Legislative Assembly on financing issues for local governments to meet planning scenarios, and another report in 2013.

Effective: March 18, 2010
Chapter 85

SB 1060 – Waterways

This bill would have created a Task Force on Waterways, a 17-member task force responsible for studying the public use of waterways. The bill directed the State Land Board to designate one of its members to serve as the task force chairperson and required the task force to report back to interim legislative committees in advance of the 2011 legislative session with a summary of its findings and legislative recommendations. After moving out of the Senate

Environment and Natural Resources Committee with a “do pass” recommendation, the bill was unable to garner enough votes to move off the Senate floor.

GENERAL GOVERNMENT

HB 3604 – Preference for Local Products in Contracting

As originally drafted, HB 3604 required that contracts for a new interstate bridge utilize local products. The bill received a hearing and work session in the House Business and Labor Committee. As amended by the committee, the bill would have established a study of how state contracting can encourage the use of local labor and products and study construction-related greenhouse gas emissions and ways to reduce them. Upon adjournment, the bill remained in the Joint Ways and Means Committee.

HB 3646 – State Bonding

This bill makes technical adjustments and updates to state bonding statutes. Specifically, the bill authorizes private activity bond proceeds to be used for management and operation of eligible projects. The changes contained in the bill enable the state to facilitate federally subsidized financing for non-profit loan-lease programs and enable Oregon to take advantage of federal stimulus programs that will reduce interest rates.

Effective: February 24, 2010
Chapter 3

HB 3673 – Recreational Immunity

This bill clarifies an issue related to a recent Oregon Supreme Court case, *Coleman v. Oregon Parks and Recreational Department*. In the case, the court held that the state lost the protection offered by recreational immunity because a fee was charged to use facilities, even though the land on which the plaintiff was injured was not associated with that same facility. HB 3673 continues the recreational immunity protection if a land owner does not charge a fee. If a landowner does charge a fee, notice is required to maintain the protection with some exceptions. The bill received unanimous support in both chambers.

Effective: March 10, 2010
Chapter 52

HB 3700 – Credit Unions Deposit Protections

Currently, state statutes allow both banks and credit unions to receive public fund deposits up to the amount that is insured by the Federal Deposit Insurance

Corporation (FDIC) and the National Credit Union Insurance Fund (NCUIF), respectively. Banks, however, may accept deposits in excess of the FDIC-insured amount if they have sufficient collateral, as determined by the State Treasurer. This bill extends these same collateral arrangements and oversight to credit unions. Similar to banks, participating credit unions would cover the cost of administration.

Effective: March 29, 2010
Chapter 101

SB 996 – Whistle Blower Protections for Public Employees

Currently, state statutes prevent public employers from discriminating or retaliating against employees for disclosing any information that they reasonably believe is evidence of: (1) violation of state, federal, or local laws, rules or regulations; (2) mismanagement; (3) “gross waste of funds;” (4) abuse of authority; and (5) substantial and specific danger to public health and safety. SB 996 expands whistleblower protections for public employees to include conversations between public employees and any member of an elected governing body of any political subdivision, including elected local government auditors.

Effective: March 4, 2010
Chapter 24

SB 1026 – OLCC Enforcement

SB 1026 would have increased the authority of the Oregon Liquor Control Commission (OLCC) to address problems stemming from liquor sales sooner than they are currently able to, thereby preventing these problems from escalating into more significant public safety and community livability problems. The bill proposed lowering the threshold for the OLCC to place restrictions on a liquor license from “serious and persistent” to “serious or persistent.” At a hearing in the Senate Business and Transportation Committee, Commissioner Fritz submitted a letter of support and the City testified in support of the legislation. The bill did not advance out of committee.

SB 1050 – Requirement to Buy U.S. Made Steel

SB 1050 would have required government agencies, and any entities receiving tax abatements or grants, to use steel and manufactured items made in the United States. After several work group meetings and many discussions among stakeholders it became clear that the legislation would not have enough support

to pass in this session. The bill's sponsor invited all stakeholders to continue to participate in the work group over the interim in order to craft a bill for the 2011 legislative session. The City has committed to being an active participant in the work group.

SJR 41 – Annual Legislative Sessions

The Oregon Constitution requires that the Legislative Assembly convenes every other year, making the state one of five states in the country with a part-time legislature. Senate Joint Resolution 41 refers a constitutional amendment to voters which would establish annual legislative sessions. The amendment provides that on odd-numbered years, the legislative session may not exceed 160 calendar days and in even-numbered years, the legislative session may not exceed 35 days. Additionally, the amendment provides the legislative assembly the ability to extend a session by five days with an affirmative two-thirds vote. A highly controversial issue, SJR 41 did not pass until the final moments of the session. The amendment will be on the ballot in the November 2010 general election.

Filed With Secretary of State on February 25, 2010

SJR 46 – Tort Caps

This proposed resolution would have referred a constitutional amendment to voters, limiting awards of noneconomic damages against health care providers, nonprofit corporations and public bodies to \$1 million. Upon introduction, the resolution was sent to the Senate Judiciary Committee, where it remained upon adjournment.

HEALTH CARE

HB 3632 – Employer-Sponsored Health Insurance

HB 3632 would have required the Oregon Health Authority (OHA) to study the viability of implementing a pay or play system of employer-based health insurance coverage. The bill required OHA to report the results of the study back to the legislature, and if the study deemed such a system to be viable, propose a plan for implementation. After passing the House, the bill was referred to the Senate Health Care Committee, where it did not advance prior to adjournment.

SB 1006 – Placement of Automated External Defibrillators

In 2009, the legislature passed SB 556, which requires that an automated external defibrillator (AED) be located on the premises of every place of public assembly. SB 1006 makes clarifications and modifications to SB 556, redefining “place of public assembly” as a single building with more than 50,000 square feet or more of indoor floor space, in which at least 50 individuals congregate on a normal business day. The bill also contains a provision which removes requirements for a person who possesses or controls an AED in a public setting to be exempt from liability for use or nonuse of an AED.

Effective: March 4, 2010
Chapter 27

HOUSING

HB 3650 – Inclusionary Zoning

HB 3650 would have repealed the prohibition on cities, counties, or metropolitan service districts from imposing requirements that effectively establish a sales price for housing units or residential building lots or parcels, or limits their availability to a class or group of purchasers. Upon introduction, the bill was referred to the House Agriculture, Natural Resources and Rural Communities Committee. The bill did not receive a hearing and remained in Committee upon adjournment.

HB 3657 – Neglect of Foreclosed Residential Properties

This bill would have prohibited the owner of a vacant foreclosed residential property from allowing the property to fall into a state of neglect. Under the proposed legislation, local governments would have been permitted to assess a civil penalty of up to \$150 for each day that the owner fails to remedy the conditions of neglect. Local governments, however, already have the authority under nuisance laws to impose fines upon a property owner for allowing a property to fall into a state of neglect. A provision was included which clarified that the bill would not interfere with local programs which are already in use. After passing the House, the bill was referred to the Senate Rules Committee, where it remained upon adjournment of the legislative assembly.

SB 1005 – Contracts for Housing Developments

Currently, the Oregon Housing and Community Services Department (HCSD) administers the U.S. Department of Housing and Urban Development (HUD) multi-family Section 8 contract for Oregon projects, which are determined on a state-by-state basis. In an effort to be efficient and judicious, HUD may restrict the contract competition to regional bidding, which will include several areas or states at one time, for the Section 8 contracts. Senate Bill 1005A expands HCSD authority to submit regional bids to HUD for multi-family Section 8 contracts if necessary.

Effective: February 24, 2010
Chapter 4

HUMAN RESOURCES

HB 3653 – Mandatory Workplace Communications

Passed by the Legislature in 2009, SB 519 established specific employee and employer rights related to the participation in employer-sponsored meetings and communications regarding religious or political matters. Specifically, the measure prohibited an adverse employment action against an employee for declining to participate in an employer-sponsored meeting or communication regarding either religious or political matters. HB 3653 would have repealed the statutory provisions which make up SB 519. After passing the House, the bill was referred to the Senate Rules Committee, where it remained upon adjournment.

SB 1045 – Use of Credit History in Employment Screenings

SB 1045 prohibits the use of credit history for employment purposes, including hiring, discharge, promotion, and compensation. The bill does provide exemptions for financial institutions, public safety offices, and other employment if an applicant's credit history is job-related and its use is disclosed to the applicant. The City worked closely with the bill's proponents to include the public safety exemption. The bill passed both chambers by narrow margins.

Effective: March 29, 2010
Chapter 102

LAND USE

HB 3648 – Urban Reserves

HB 3648 would have prohibited metropolitan service districts and counties from designating additional urban reserves until at least 50 percent of previously designated urban reserves have been included in the urban growth boundary of a district. Upon receiving a hearing in the House Committee on Agriculture, Natural Resources and Rural Communities, the bill was referred to the House Rules Committee where it remained upon adjournment.

SB 997 – Transferable Development

Passed by the Legislative Assembly in 2009, SB 763 permitted municipalities to establish transferrable development credit systems which would allow for intergovernmental transfers of development interests within and across jurisdictional boundaries. SB 997 makes technical corrections to the statutes embodied in SB 773.

Effective: February 24, 2010
Chapter 5

SB 1031 – Destination Resorts

SB 1031 makes several changes to state land use statutes regarding the siting of destination resorts. Specifically, the bill: (1) continues the existing prohibition of siting destination resorts in an area designated by the Oregon Department of Fish and Wildlife (ODFW) as especially sensitive big game habitat; (2) prohibits counties from allowing destination resorts to be sited on lands predominately classified as being Fire Regime Condition Class 3; and (3) directs counties to require an applicant to submit an economic impact analysis of proposed development if the development falls within 10 miles of an urban growth boundary (UGB) or is east of the Coast range and within 25 miles of an UGB. The bill received strong support in both chambers.

Effective: March 4, 2010
Chapter 32

SB 1049 – Ballot Measure 49 Claims

Passed by the legislature in 2009, HB 3225 provided for an extension of Measure 49 claims for certain claimants who failed to meet procedural requirements and

required the Department of Land Conservation and Development (DLCD) to study why certain claimants did not meet requirements.

SB 1049 is a result of DLCD's study. Specifically, the bill does three things: (1) allows those who filed claims only with the county to be eligible for one additional dwelling; (2) allows those who failed to provide an appraisal or an adequate appraisal to be eligible for one additional dwelling; and (3) allows those that acquired property between 1975 and the date of a county's acknowledged land use plan to be eligible for up to three dwellings, depending upon the acreage and the local zoning at the time the property was acquired. SB 1049 received widespread support in both chambers, passing by large margins.

Effective: February 25, 2010
Chapter 8

PUBLIC SAFETY

HB 3601 – Implied Consent Hearings

This bill allows for implied consent hearings conducted by Administrative Law Judges to be conducted by telephone or other electronic device unless an in-person hearing is requested. The bill passed both chambers by wide margins.

Effective: January 1, 2011
Chapter 37

HB 3634 – Victims' Rights

Clearly laid out in the state constitution are a number of rights afforded to crime victims in court proceedings. These rights apply only to court proceedings and do not apply in habeas corpus proceedings, direct appeals, post-conviction relief proceedings, and proceedings conducted by the Psychiatric Security Review Board (PSRB) and the State Board of Parole and Post Prison Supervision (BPPPS). HB 3634 extends to victims, certain rights at these proceedings, most notably, the right to be notified.

Effective: March 23, 2010
Chapter 89

HB 3695 – Metal Theft

HB 3695 provides technical fixes to the metal theft legislation passed during the 2009 session (SB 570). As originally drafted, one provision of this bill created a loophole for certain types of wire. The City worked closely with stakeholders to have this provision removed. The amended bill passed unanimously.

Effective: March 10, 2010
Chapter 56

HB 5100 – Budget Reconciliation: Funding for Police Officer Training

The Legislature's budget reconciliation bill included \$ 700,000 to fund two additional Department of Public Safety Standards and Training (DPSST) training academies for new police officers.

Effective: March 23, 2010
Chapter 95

SB 1007 – Earned Time

Responding to the state's fiscal challenges, the 2009 Legislative Assembly passed HB 3508, which delayed many of the provisions of Measure 57 (2008). One provision of HB 3508 increased by 10 percent the earned time for those offenses that were already eligible for 20 percent earned time; thereby increasing it to 30 percent.

SB 1007 repeals the additional 10 percent earned time provision, reinstating an additional 10 percent earned time for nonperson felonies on July 1, 2011. The provision is set to sunset on July 1, 2013. Additionally, the bill excludes from the additional 10 percent earned time provision, those that have a past conviction for a person felony if the sentence, probation, or post-prison supervision has ended less than five years prior to current criminal charges and excludes person felonies regardless of past criminal history.

Effective: February 17, 2010
Chapter 2

SB 1008 – Possession of a Firearm

SB 1008 sought to address the unintended consequences of SB 603, which was passed by the 2009 Legislative Assembly. The bill addressed the manner in which statutes treat felons regarding the purchase and possession of firearms. However, due to the bill's broad relating clause, a number of non-related items were amended into the bill, hindering its ability to gain the necessary votes for passage in the Senate. SB 1064 (see below), a nearly identical bill with a narrow relating clause was subsequently introduced and passed both chambers.

SB 1064 – Felony Possession of a Firearm

SB 1064 addresses unintended consequences resulting from the passage of SB 603 during the 2009 legislative session. SB 1064 allows felons to petition for the restoration of rights to purchase and possess firearms in a circuit court rather than a justice court.

Effective: March 18, 2010
Chapter 86

TAXATION AND FINANCE

HB 3640 – Personal Property Taxes on Manufactured Dwellings

This bill requires a county assessor to cancel property tax assessments on manufactured structures if the total assessed value of all manufactured structures owned by a taxpayer is less than \$12,500. The bill only applies to those counties with a population greater than 340,000 and to tax years beginning on or after July 1, 2010. The bill received widespread support in both chambers.

Effective: May 27, 2010
Chapter 69

SB 1015 – Tax Abatements for Housing with a Commercial Component

SB 1015 is a joint City of Portland – Multnomah County initiative which addresses an opinion from the Attorney General that called into question the county's application of tax abatements for multi-family housing and transit-oriented developments that contain commercial elements. The bill "grandfathers" existing tax abatements, and effects 19 properties in Portland. The bill moved through both chambers with unanimous support.

Effective: May 27, 2010
Chapter 29

SB 1027 – Personal Kicker Refunds

Currently, when General Fund revenue sources (personal and corporate income taxes) exceed projections by two percent or more, the state is obligated to issue a refund payment known as the "kicker". SB 1027 would have altered the way the state issues its kicker refunds, issuing a credit against a taxpayer's personal income tax liability instead of issuing a payment. The bill did not receive a hearing and remained in the Senate Finance and Revenue Committee upon adjournment.

SB 1042 – Local Government Tobacco Taxes

Currently, local governments are prohibited from levying a tax on cigarettes and tobacco products. SB 1042 would have repealed this preemption of authority. Upon introduction, the bill was referred to the Senate Finance and Revenue Committee where it received a hearing and remained upon adjournment.

SB 1044 – Earned Income Tax Credit

SB 1044 would have increased the percentage of the federal Earned Income Credit allowable as a credit against Oregon personal income tax. As drafted, the bill would have increased the percentage by three percent, with subsequent three percent increases in each of the four consecutive tax years. The bill received a hearing in the Senate Finance and Revenue Committee, but did not advance.

SB 5563 – Oregon Sustainability Center

In 2009, legislators granted authority for the state to issue \$80 million in Title XI-F bonds for the Oregon Sustainability Center. The debt service on the bonds will be paid with tenant rent revenues, thus eliminating any cost to the state. Prior to the issuance of the bonds, however, clarification of the purpose statement was needed. This technical correction, which the City supported, was included in SB 5563, the Legislature's capitol construction bill. SB 5563 was adopted by both chambers by wide margins of support.

Effective: March 23, 2010
Chapter 99

SJR 45 – Kicker Reform

A priority of the Governor, this Resolution would have referred a constitutional amendment reforming the state's kicker laws, to Oregon voters. Specifically, the resolution would have established a reserve fund and required the transfer of surplus revenue exceeding an estimate for biennium into the fund. This bill remained in the Senate Finance and Revenue Committee upon adjournment.

TRANSPORTATION

HB 3676 – Transportation Funding Bill: Technical Corrections

HB 3676 and its counterpart in the Senate, SB 1019 (see below), both made technical corrections to HB 2001, the transportation funding bill enacted by the 2009 Legislative Assembly. The bills were nearly identical and, ultimately, SB 1019 became the vehicle for the technical corrections.

HB 3678 – Electronic Signs

This bill would have specified the amount of time that the owner of a non-compliant electronic sign would have to address the violation. Specifically, upon notification by the Oregon Department of Transportation (ODOT), the owner would have ten days to bring the sign into compliance, remove the sign, or request a hearing. The bill was referred to the House Committee on Transportation, where it received a hearing but did not advance.

HB 3693 – Biodiesel Additives

In 2007, the Legislature passed HB 2210 which put into place a renewable fuel standard (RFS) mandate. The RFS required biodiesel and ethanol in Oregon's motor fuels and directed the Oregon Department of Agriculture to study and monitor ethanol fuel production, use, and sales in Oregon and to implement the RFS. HB 3693 tweaks the state's RFS, authorizing the sale of diesel fuel that otherwise meets the state's biodiesel fuel standards, but to which substances have been added to prevent congealing or gelling of the fuel.

Effective: March 10, 2010
Chapter 55

SB 1019 – Oregon Jobs and Transportation Act

Of the identical bills filed this session that made technical corrections to the Oregon Jobs and Transportation Act passed by the 2009 Legislative Assembly, SB 1019 ultimately became the vehicle for the changes to be enacted. Among the many technical fixes included in the bill are provisions which: (1) preserve the distribution of heavy vehicle registration fees to local governments; (2) requires that signage of photo radar enforcement include an indication that school is in session in cases where the device is located in a school zone not otherwise marked by a flashing light; and (3) remove restrictions placed upon funds derived

from the Pacific Wonderland vehicle registration plates that are received by the Oregon Historical Society. The bill passed both chambers by wide margins.

Effective: March 4, 2010
Chapter 30

SB 1024 – Access Management

SB 1024 makes several changes to ODOT's access management program. Access management is one of Oregon Department of Transportation's (ODOT) means of protecting investments in highway improvements, addressing safety problems, and preserving highway function consistent with its classification. Specific provisions of the bill include: (1) establishing criteria for requiring new approach permits for highway access issued by ODOT when there are changes of use; (2) requiring the department to adopt rules that are less stringent for highway segments averaging 5,000 vehicles a day or fewer; and (3) requiring the department to develop legislation for access management based on objective standards, reporting back to the Legislature prior to January 2011.

Effective: March 4, 2010
Chapter 31

SB 5564 – Bonding Authority: Transportation Infrastructure Fund

Included in SB 5564, the Legislature's bonding authorization bill, is an increase in the Oregon Department of Transportation's (ODOT) issuance authority for the Oregon Transportation Infrastructure Fund. This action brings the department's total issuance authority to \$160 million. This action was in response to anticipated increases in program needs, including the use of bond proceeds to finance ODOT's headquarters building renovation project and the Oregon Wireless Interoperability Network.

Effective: March 29, 2010
Chapter 103