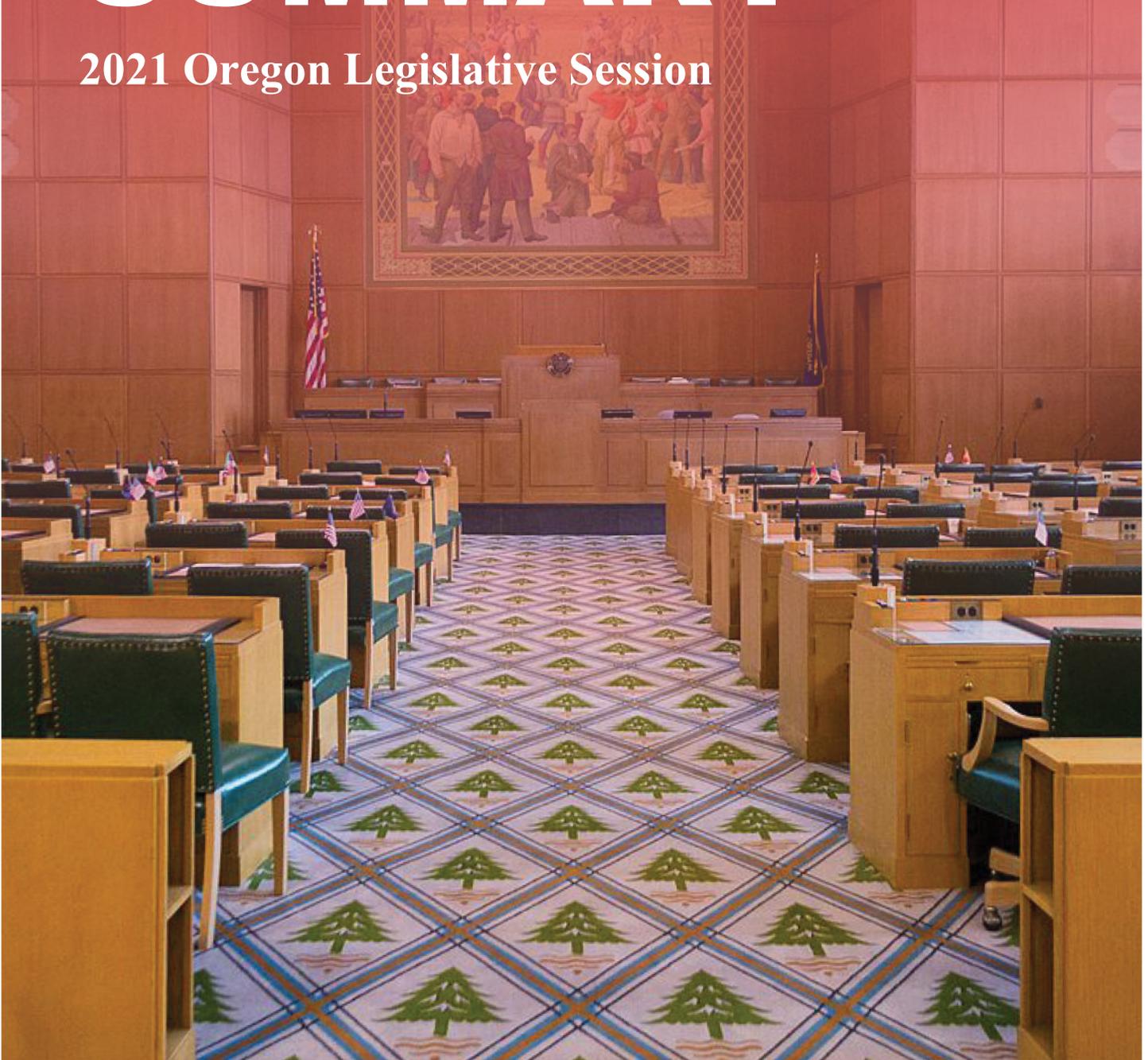


# LEGISLATIVE SUMMARY

2021 Oregon Legislative Session



# Executive Summary

Oregon's first full virtual legislative session began January 11, 2021, and adjourned Saturday, June 26, at 5:20 p.m., as the House passed its final resolution – sine die.

Following a session that was almost entirely conducted virtually, the House and Senate concluded with a slight sense of normalcy by opening chamber doors and meeting in the Capitol Rotunda following the final gavel.

This tradition typically unites House and Senate members, staff, lobbyists, activists, and others as individuals line up from chamber-to-chamber across the rotunda to watch the fall of the final gavel in celebration, smiles, waves, and cheers. During the Legislative Session, the bulk of the legislative work, including hearings, stakeholder meetings, and lobby and constituent meetings with legislators, were all conducted virtually, with the exception of floor sessions, which were held in-person, and infrequent to start.

The reality of a virtual session coupled with the gravity of policy discussions related to the COVID-19 pandemic, wildfires, police reform, public health, budget issues, and other critical discussions created new challenges and opportunities with regard to advocacy. Although it was a difficult and challenging session as a result, AOC members and legislative staff were an effective voice in nearly every key policy discussion, highlighting the importance of the county role in providing core public services for all Oregonians.

One of the most pressing tasks for the Legislature to complete during a long session - which occur in odd-numbered years - is funding agency budgets for the next biennium. The 2021 Legislative Session started with the uncertainty caused by the economic downturn resulting from the COVID-19 pandemic but ended with good economic news that provided an additional, unexpected \$1 billion in state revenues from a quickly recovering economy. Coupled together with \$2.6 billion in federal assistance, the Legislature was able to avoid cutting into public services and instead spend unprecedented amounts of one-time funds.

The Session was also notable for continuing the ongoing and nationwide trend toward further political polarization, as well as sanctioning a number of legislators for their conduct. AOC legislative staff made sure to carefully navigate these continually changing circumstances.

With the 2021 Legislative Session now in the rearview mirror, AOC staff will now shift to tracking rulemaking and workgroups on issues of importance to counties.

In the pages that follow, please find an overview of some of the key policy legislation that the AOC legislative staff tracked and engaged on for the 2021 Session. The summaries encompass AOC priorities, wins, and other key policy and budgetary items of note that will impact AOC members.

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# 2021 Priorities

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## GOVERNANCE AND REVENUE

### PRIORITY:

### Property Tax Reform

#### AOC POSITION:

Revise and modernize the current property tax system to ensure fairness and equity among and between property owners, adequate revenues for the intended purposes; and stabilize the funding stream for appraisal and assessment functions.

#### OUTCOME:

Workgroups convened throughout the Session, elevating this critical issue for action during the 2023 Legislative Session.

#### HIGHLIGHTS:

- Because Measures 5 and 50, Oregon's property tax limitations, are set in the Oregon Constitution, comprehensive property tax reform would require a ballot measure. Though the Legislature did not refer any language to the ballot in 2021, AOC staff participated in biweekly workgroups convened by Multnomah County Commissioner Susheela Jayapal and have teed up the conversation for consideration in the 2023 Legislative Session with Oregon State legislators.

### PRIORITY:

### Courthouse Replacement/Renovation

#### AOC POSITION:

Continue to proceed with state bonding and other funding to assist with courthouse replacement and renovation in partnership with the Oregon Judicial Department (OJD) and utilizing the AOC special committee - the Court Facilities Task Force - to provide the order and priorities for projects.

#### OUTCOME:

### \$144.1 million for County Courthouses

#### HIGHLIGHTS:

- \$20,730,000 Article XI-Q bonds – Benton County Courthouse
- \$95,400,000 Article XI-Q bonds – Clackamas County Courthouse
- \$11,885,000 Article XI-Q bonds – Crook County Courthouse
- \$16,110,000 Article XI-Q bonds – Linn County Courthouse

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# COUNTY COURTHOUSES

Through the Christmas tree bill, [HB 5006](#), allocations were made to support courthouse renovation and replacement projects in Benton, Clackamas, Crook, and Linn counties; and provide support to the Oregon Judicial Department in issuance of general obligation bonds for county courthouse projects.

## **PRIORITY:**

### **Transient Lodging Taxes**

#### **AOC POSITION:**

Authorize greater discretion in the use of Transient Lodging Tax (TLT) revenues for public safety, specifically (LC 838): authorizes a unit of local government to use net revenue from new or increased transient lodging tax to fund public police, fire, and search and rescue services related to effects of tourism on city or county. Adjusts percentages of other permissible uses of such net revenue.

#### **OUTCOME:**

**AOC staff elevated the need for transient lodging tax. A bill draft was created, addressed with legislators and stakeholders, and is teed up for the 2023 Legislative Session.**

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# HEALTH AND HUMAN SERVICES

## **PRIORITY:**

### **Strengthen Oregon County-Based Human Service Systems**

#### **AOC POSITION:**

Increase and preserve investments in Oregon's county-based human service systems, including behavioral health, Intellectual or Developmental disabilities (IDD), public health, housing, and the State's health plan. The State's overlapping crises in 2020 have increased public awareness of the inequity of access to and outcomes from our health and human services systems, highlighting the perils of long under-resourced systems, the need for proactive prevention measures, and innovative approaches to funding ongoing county-based service needs.

#### **OUTCOME:**

**\$4 Billion Investment in Oregon Health Plan, Behavioral Health, Intellectual/Developmental Disabilities, Public Health, and Housing**

#### **HIGHLIGHTS:**

- \$470 Million Investment in Behavioral Health
- \$426 Million Investment in Intellectual and Developmental Disabilities
- \$155 Million Investment in Public Health
- \$765 Million Investment in Housing

- \$2.2 Billion Investment in Oregon Health Plan

The 2021 Session turned out a historic number of critical investments in health, human services, and housing. Below are some overall legislative successes in key program areas.

## Behavioral Health

- [HB 5024](#) – Oregon Health Authority
  - \$25 million to enable existing Certified Community Behavioral Health Clinics (CCBHCs) to provide services through the 2021-23 biennium.
  - \$21.5 million for community restoration and clinical services, rental assistance, and wraparound support for supporting the needs of individuals who have been ordered by a court to receive services enabling them to “aid and assist” in their own criminal defense.
  - \$70.2 million to backfill the redirected marijuana tax revenue that previously supported other behavioral health programs, primarily through counties.
  - \$130 million to increase residential treatment services and housing for people with behavioral health needs.
  - \$50 million for investments that align outcomes, roles, responsibilities, risk, and incentives in Oregon’s behavioral health system.
- [HB 3046](#) - Behavioral Health Parity
  - Further establishes consumer and insurance parity for behavioral health services.
- [HB 3037](#) - Improvements to Youth Suicide Reporting
  - Allows cross-county reporting about youth suicides.

## Intellectual and Developmental Disabilities

- [SB 5529](#) – Oregon Department of Human Services
  - \$295 million total funds for the 2021-23 biennium, which is 91 percent of the positions indicated as necessary by the IDD workload model.
  - \$131 million total funds for a 3.2 percent IDD provider rate increase.
  - \$250,000 total funds for the Oregon Department of Human Services to contract for a study to identify, and make recommendation for, an improved funding structure for Community Developmental Disability Programs (CDDPs).

## Public Health

- [HB 5024](#) – Oregon Health Authority
  - \$45 million to advance Oregon Health Authority’s public health modernization efforts.
- [HB 2965](#) - Extends Timeline for Implementation of Public Health Modernization
  - Moves public health modernization implementation date from December 2023 to December 2025.

## Housing

- [HB 5011](#) – Oregon Housing and Community Services
  - \$12.2 million for Permanent Supportive Housing - Local Innovation and Fast Track Rental Housing Program (LIFT)
- [HB 2006](#) – Emergency Shelter Siting

- Requires local governments to allow emergency shelter siting.

## Oregon Health Plan

- [HB 5024](#) – Oregon Health Authority
  - \$2.2 billion to fund the Oregon Health Plan without cuts to eligibility or benefits estimated total costs.

### **PRIORITY:**

## **Enhanced Funding for Domestic Violence Advocacy Services**

### **AOC POSITION:**

Funding for advocates to support domestic violence victims has long been inadequate. COVID-19 has called further attention to this deficiency, including the need for expanded funding for co-located services.

### **OUTCOME:**

## **\$10 Million New Investment for Survivors of Domestic Violence**

### **HIGHLIGHTS:**

- \$10.0 million to create the Survivor Investment Partnership program

## Survivor Investment Partnership Program

- [SB 5529](#) – Oregon Department of Human Services
  - \$10 million investment to provide domestic violence and sexual assault recovery services to survivors through contracts with culturally specific organizations and tribes.

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# **NATURAL RESOURCES**

### **PRIORITY:**

## **Comprehensive Wildfire Policy**

### **AOC POSITION:**

Develop comprehensive wildfire policy, including forest management practices that incorporate landscape recovery and restoration; ongoing mitigation measures; fire suppression; and efforts to great sustainable, fire-adaptive communities.

### **OUTCOME:**

## **Comprehensive Wildfire Policy and \$220+ Million Investment in Risk, Response, and Recovery Support**

### **HIGHLIGHTS:**

- [SB 762](#), the Session's comprehensive wildfire policy and funding bill contained many of AOC's policy priorities related to comprehensive wildfire policy reform.
- A \$220,148,317 in total funds investment was made to nine agencies for the purposes of implementing a statewide comprehensive strategy to promote wildfire risk reduction,

response, and recovery. Some of these funds will be made available through state agencies to counties to implement pieces of [SB 762](#).

**PRIORITY:**

## **Agency Funding**

**AOC POSITION:**

Preserve and protect funding for natural resource agencies and programs that continue to provide valuable services to counties and the constituents counties serve.

**OUTCOME:**

### **Sustained Funding for Key Natural Resource Programs**

**HIGHLIGHTS:**

AOC was able to advocate for many important agency services and programs across our agency budgets that serve our counties and our constituents. While not all needs were met—overall our Natural Resource agencies did not see the deep cuts to programs that were anticipated prior to the May Revenue Forecast.

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# **PUBLIC SAFETY**

**PRIORITY:**

## **Reform and Modernization**

**AOC POSITION:**

Identify and facilitate appropriate legislative responses to the causes of racial and ethnic disparities in the justice system to reduce and ultimately eradicate them, fostering public trust and promoting public safety. Among other things, make it optional for counties to collect parole and probation fees (changing “shall” to “may” in ORS 423.570).

**OUTCOME:**

### **16 Police Reform Bills Enacted; Parole and Probation Fees Eliminated with Backfill to Protect and Sustain Community Correction Services**

**HIGHLIGHTS:**

- 16 police reform bills were passed during the 2021 Legislative Session, in addition to the seven passed during the 2020 special sessions. Reforms were built in collaborative coalition processes and translate into increased equity, transparency, and enhanced community trust in Oregon policing.
- Parole and probation fees were eliminated, with a \$10 million backfill investment provided to sustain and protect community corrections services.

## **Police Reform**

Oregon law enforcement has a proven track record of working closely with the Oregon State Legislature on public safety legislation that is responsive to community needs and improves public

safety outcomes for all Oregonians. With this as a goal, AOC and Oregon law enforcement were pleased to play a role in the collaborative and bi-partisan process that resulted in the series of seven police reform bills that were passed in the First and Second Special Sessions of 2020 and the 16 police reform bills that were passed in the 2021 Legislative session - for a total of 23 bills.

AOC helped craft these bills covering a wide variety of topics, such as misconduct, discipline, arbitration, chokeholds, duty to intervene, use of force, military surplus equipment, Cardiopulmonary Resuscitation (CPR) training and Emergency Medical Services (EMS) referrals, interactions with persons who have experienced trauma, teargas and riot munitions, discipline database, use of force database, background checks, training, doxing, declarations of riot, interfering with a police officer, booking photos, and uniforms.

That legislation represents meaningful and comprehensive change to police practices that will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

All 23 of these bills were also supported by the Oregon State Sheriffs Association (OSSA), the League of Oregon Cities (LOC), and the Oregon Association Chiefs of Police (OACP). AOC wishes to express special thanks to the members of the [House Committee on Judiciary](#), members of the [House Subcommittee on Equitable Policing](#), [Joint Committee on Transparent Policing and Use of Force Reform](#), and the members of the Joint Committees of the [First](#) and [Second](#) Special Session for collaboration on these important bills. Below are the bills passed during the 2021 Legislative Session.

- [HB 2162](#) - Police training and certification
- [HB 2481](#) - Limits on use of military surplus equipment
- [HB 2513](#) - CPR training and EMS referrals
- [HB 2575](#) - Interactions with persons who experienced trauma
- [HB 2928](#) - Limits on use of teargas and riot munitions
- [HB 2929](#) - Duty to report misconduct
- [HB 2930](#) - Police discipline arbitration reform
- [HB 2932](#) - Reporting to Federal Bureau of Investigation (FBI) use of force database
- [HB 2936](#) - Background checks and social media policies
- [HB 2986](#) - Gender crime training
- [HB 3047](#) - Civil cause of action for doxing
- [HB 3059](#) - Unlawful assembly response
- [HB 3145](#) - Police discipline database
- [HB 3164](#) - Revisions to interfering with a police officer
- [HB 3273](#) - Regulating release of booking photos
- [HB 3355](#) - Crowd management uniforms in larger cities

*\*Additional summaries can be found [here](#).*

## Parole and Probation Fees

AOC and the Oregon Association of Community Correction Directors (OACCD) supported [SB 620](#) to allow counties the discretion to not charge and collect probation fees. That bill passed the Senate without any opposition. However, the incredibly positive May revenue forecast, combined with the infusion of federal COVID-19 relief funds, meant the Legislature could eliminate probation fees statewide with a \$10 million backfill to prevent service reduction. As a result, SB 620 was amended to remove the fees and Section 165 of [HB 5006](#), the Session's reconciliation bill provided the backfill.

**PRIORITY:**

## **Community Corrections Funding**

**AOC POSITION:**

Secure full funding of baseline community corrections essential to the efficacy of supervised probation and ensuring public safety.

**OUTCOME:**

### **Full Funding of Community Corrections**

**HIGHLIGHTS:**

- \$32 million added to baseline budget
- Full funding for Justice Reinvestment Initiative (JRI) and other specialty court programs
- Elimination of probation fees with a \$10 million backfill to maintain services
- Expansion of community corrections to include certain misdemeanor domestic violence cases

### **Community Corrections**

AOC supported full baseline funding for community corrections, taking into account cuts resulting from the failure of the 2019 and 2020 legislative sessions to fully fund community corrections during the 2019-2021 biennium, as well as the passage of Ballot Measure 110 that further reduced funding for community corrections. Further, AOC supported additional funding for community corrections by way of special programs under the auspices of the Oregon Criminal Justice Commission, such as the Justice Reinvestment Initiative (JRI). AOC supported expanding community correction services to include certain misdemeanor domestic violence and sex crime cases.

Baseline funding was expanded through the Department of Corrections (DOC) budget bill, [HB 5004](#). Full funding for JRI and other specialty programs occurred through the Criminal Justice Commission (CJC) budget bill, [HB 5005](#), and expansion to include certain domestic violence misdemeanors was accomplished by way of [SB 497](#). Further, [SB 620](#) eliminated probation fees, but [HB 5006](#) provided the backfill for that revenue loss.

**PRIORITY:**

## **Enhanced Emergency Notification and Preparedness**

**AOC POSITION:**

The ongoing COVID-19 pandemic and wildfire disasters have called attention to the need for enhanced attention and funding for emergency management services.

**OUTCOME:**

### **Restructuring and Modernization of Oregon's Emergency Management System**

**HIGHLIGHTS:**

- [HB 2927](#) - major restructuring and modernization of emergency management services in Oregon.

## Modernizing Emergency Management

AOC and the Oregon Emergency Management Association (OEMA) have supported the major restructuring of emergency management services for a number of years. These efforts have been spearheaded by Representative Paul Evans who chairs the [House Committee on Veterans and Emergency Management](#). The COVID-19 pandemic and wildfire disasters further highlighted the need to move forward with this major restructuring and modernization of the way emergency services are delivered in Oregon. It should be noted that, while emergency management currently resides in the public safety policy portfolio, it touches nearly every other portfolio, as we were all reminded by the COVID-19 pandemic (health and human) and wildfires (natural resources). Cross-portfolio work in this arena will certainly continue, as previously discussed by the AOC Legislative Committee.

[HB 2927](#) renames the Office of Emergency Management (OEM) as the Oregon Department of Emergency Management (ODEM) and establishes ODEM as an independent state agency, directs it to carry out various functions related to emergency response and preparedness. The bill also transfers the Oregon Emergency Response System (OERS) from the Oregon State Police (OSP) to ODEM and makes the State Fire Marshal an independent state agency. In addition, HB 2927 establishes the Emergency Preparedness Advisory Council (EPAC) to make recommendations related to catastrophic disaster, establishes the Local Government Emergency Management Advisory Council (LGEMAC) to make recommendations to ODEM regarding emergency preparedness and response functions.

*\*In January of 2021, AOC added the following principle to the AOC Public Safety Steering Committee list of principles: "Government at all levels should fully support the fundamental principles of emergency management, including preparedness, response, mitigation, and recovery."*

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# TRANSPORTATION AND COMMUNITY DEVELOPMENT

## **PRIORITY:**

### **Transportation**

## **AOC POSITION:**

Maintain the integrity of the State Highway Fund to ensure long-term solvency, resiliency, and stable county funding for the integrated system of Oregon's roads, streets, highways, and bridges. Preserve and enhance local revenue options for the maintenance and preservation of our transportation system.

## **OUTCOME:**

**AOC successfully navigated policy discussions, diverting policy threats and teeing up revenue options for a future session.**

## HIGHLIGHTS:

- Successfully opposed legislation that would have diverted funds from the counties' share of the State Highway Fund dedicated to repair, replacement, and maintenance of Oregon's existing infrastructure.
- Elevated options to create equity in permitting authority cost recovery through [HB 3049](#).

## Preserving State Highway Fund

AOC opposed [SB 395](#), introduced by Senator Prozanski on behalf of the Street Trust, a bicycle and pedestrian advocacy organization. This measure would have mandated five percent of a county's share of the State Highway Fund be devoted to footpath and bicycle trails. Following the passage of 2017 HB 2017, counties, cities, and the State were provided with increased revenue to help support maintenance, preservation, and modernization of Oregon's infrastructure – highways, bridges, culverts, and other critical systems across the state. This historic investment helped bridge the gap in funding needs to address much needed updates to Oregon's existing infrastructure system. However, much of Oregon's State Highway Fund resources come from Oregon's gas tax, and the result of pandemic, that resource did not bring in revenues originally projected, creating a significant revenue shortfall.

Due to this shortfall, counties, cities, and the State have projects that will be backlogged. SB 395 would have diverted additional funds from the limited resources available. Ultimately, this bill did not pass, preserving State Highway Fund revenues.

## Enhance Local Revenue Options

AOC introduced and supported [HB 3049](#), a bill that would remedy permitting issues in public rights of way. County road departments manage the largest share of public rights of way in the state and provide essential public works services that ensure a safe and reliable multimodal transportation system. Unlike cities, which enjoy broad utility franchise fee authority, counties are currently precluded under ORS 758.010 from charging any fees to recover the costs of permitting utilities operating within the county right of way. This bill would allow counties to recoup those costs. The bill did not advance this Session; however, AOC was able to elevate the issue with legislators, and expects the bill to be reintroduced during the 2022 Legislative Session.

## PRIORITY:

# Community and Economic Development

## AOC POSITION:

Increase local land use options and authority. Ensure that counties have sufficient tools to rebuild sustainable, fire adaptive communities, meet significant housing supply demand, and ensure the efficient and timely issuance of permits, including allowing for accessory dwelling units in rural residential zones, split zoned parcels, and preserving local government contracting with third party building officials.

## OUTCOME:

# \$120+ Million in Broadband Infrastructure Investment

## HIGHLIGHTS:

- \$120 million to the Business Oregon Broadband Office
- \$500,000 to the Rural Capacity Fund
- SB 866 - Retaining third party building officials and programs

## Broadband Investments

HB 5006, the “Christmas tree bill,” allocated \$120 million in American Rescue Plan Act (ARPA) Capital Project funds to Business Oregon’s Broadband Fund. Monies in the fund will be used to hire additional broadband office staff and to provide grants or loans for the planning and development of broadband service infrastructure. HB 5006 also allocates ARPA funds for legislator sponsored broadband projects, some of which include direct funding to communities and organizations.

## Rural Capacity Fund

[HB 2345](#) establishes and allocates \$500,000 to the Oregon Rural Capacity Fund to provide resources to Oregon's Economic Development Districts (EDDs) to assist rural jurisdictions to learn about, apply for, and manage grants and other funding opportunities to support workforce, infrastructure, economic development, and community development. The measure requires Business Oregon to develop and communicate program policy and purposes, determine moneys available, consult and coordinate with EDDs on distribution, make distributions from the fund, and periodically consult with local governments.

## Third Party Building Officials

SB 866 is the product of a years-long negotiation around the legality of third party building officials. The bill allows for the continued use of third party officials and addresses the legal issues identified in a Department of Justice opinion by putting in adequate procedural safeguards for municipalities that use contracted building official services.

### **PRIORITY:**

## Land Use

### **AOC POSITION:**

Increase local land use options and authority. Ensure that counties have sufficient tools to rebuild sustainable, fire adaptive communities, meet significant housing supply demand, and ensure the efficient and timely issuance of permits, including allowing for accessory dwelling units in rural residential zones, split zoned parcels, and preserving local government contracting with third party building officials.

### **OUTCOME:**

## **Increased Flexibility for County Land Use Needs; \$14 Million Resiliency Funding**

### **HIGHLIGHTS:**

- SB 391 – Rural accessory dwelling units
- SB 866 – Retaining third party building officials and programs
- HB 5006 – \$4 million to county building and planning departments to hire additional wildfire recovery staffing support
- HB 5006 – \$10 million to the Department of Consumer and Business Services for home-hardening and resiliency grants to 2020 wildfire victims

## Rural Accessory Dwelling Units

SB 391 allows counties to authorize construction of an Accessory Dwelling Unit (ADU) on lots zoned rural residential that are over two acres. Allowing for ADUs in rural residential zones has been a high priority of AOC’s for several legislative sessions. The passage of SB 391 creates a

tool for counties to provide additional housing options with minimal additional public resources, and increase the supply of rental, supportive, and multigenerational housing to alleviate at least some of the shortage in housing that many of our communities are facing.

### Staffing Support for Wildfire Impacted Counties

HB 5006, the “Christmas tree bill,” included \$4 million in direct grants through the Oregon Business Development Department to counties and cities impacted by the 2020 wildfires to add additional building and planning department staff. Wildfire impacted counties expressed an immediate need around the glut of building permits for rebuilds and a lack of capacity to process in a timely manner – the Legislature funded the full amount requested.

### Home Hardening and Resiliency Grants

HB 5006 also included \$10 million to the Department of Consumer and Business Services (DCBS) for residential resiliency and home hardening grants for communities impacted by the 2020 wildfires. Grants will be administered through wildfire impacted county building and planning departments.

### **PRIORITY:**

## **Energy**

### **AOC POSITION:**

Support policies that encourage the development and transmission of energy. Promote the use of energy efficiency in county buildings and vehicles. Support leadership at the local level to demonstrate sustainable practices and allow for local flexibility and authority in siting. Support policies that encourage the development and use of alternative energy.

### **OUTCOME:**

## **\$50 Million Investment in Community Renewables**

### **HIGHLIGHTS:**

- [SB 154](#) - Solar Payment in Lieu of Taxes (PILoT) program extension
- [HB 2021](#) - \$50 million Community Renewable Investment Program

### Solar PILoT Program Extension

SB 154 extends the Solar PILoT program, which was created in 2015 with AOC’s involvement and support. The Solar PILoT program creates levelized property tax expenses which incentivizes project financing and development. As of 2019, there were 20 Solar PILoT filers statewide – the number of projects, both in value and capacity, have been doubling annually since 2015.

### Community Renewable Investment Program

HB 2021, a comprehensive renewable energy bill, includes the creation of the Community Renewable Investment Program and allocates \$50 million in General Funds. Small-scale solar projects that are established, owned, and operated locally provide multilayer benefits to communities in the form of renewable energy, economic development, and increased county revenues.

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# VETERANS

## **PRIORITY:**

### **Veterans CVSO Funding**

#### **AOC POSITION:**

Create an inflation-based index to ensure state funding of County Veteran Service Offices (CVSOs) does not diminish over time. Lottery Fund dollar support for CVSOs should be increased each biennium to keep up with annual personal costs via a built-in adjustment for these growing expenses. Without such a provision in statute, the net result will be a diminished CVSO capacity over time.

#### **OUTCOME:**

Continued Funding to Oregon Department of Veterans Affairs, Including CVSOs

#### **HIGHLIGHTS:**

- Moving into the 2021 Legislative Session, funding was not on stable footing. While the Legislature did not create an inflation-based index for CVSO funding, due to an influx of funds from the American Rescue Plan Act and a strong May 2021 state revenue forecast, the Legislature provided adequate, but decreased funding for the Oregon Department of Veterans Affairs (ODVA). This includes funding for CVSOs. This was a win, considering prior to Session, all agencies were instructed to prepare budget with deep reductions across the board.
- The Veterans' Services Program, which includes CVSOs, saw a total funds budget decrease of 7.3 percent from the 2019-2021 biennium and supports two fewer positions. However, the pass-through payments to counties for the CVSOs saw a total increase of 4.3 percent (\$388,750) from the last biennium.

# 2021 Overall Policy

In the pages to follow, please find summaries of policy AOC spearheaded, monitored, and advocated for or against by AOC staff and members that had significance to Oregon counties. The summaries below are complete with status, fiscal and revenue impacts, and overall implications for counties across the state.

**(+)**            **A green plus signifies AOC support for a bill.**

**(-)**            **A red minus signifies AOC opposition to a bill.**

**(~)**            **A brown tilde signifies that AOC did not have adequate time to take a formal position on the bill, the bill was omnibus and contained one or more elements that AOC supported, or both.**

*(Neutral)*    *The italicized word “neutral” signifies AOC either had a position of support or opposition for a bill, or general concerns, but through negotiation, the concerns were reduced.*

*(No Position)*    *The italicized words “no position” signify AOC did not take a position on the bill due to a variety of opinions among membership, or the bill was highlighted because it was of significance, but AOC simply tracked the legislation due to the potential impact the bill could have on counties or county programs.*

# General Government

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## ANNEXATION

### Rural Fire Protection District Annexation (-) [SB 605](#)

*Died in House Committee on Agriculture and Natural Resources*

#### SUMMARY

SB 605 would have allowed a rural fire protection district to require the governing body to annex lands within seven road miles of a fire station within the district. The bill came at the request of Douglas County Fire District 2.

#### AOC ENGAGEMENT

AOC staff met with Senator Lew Frederick (D- Portland) and staff to reach a compromise that would not usurp county authority over annexation proceedings. When a compromise could not be reached, Clatsop County Commissioner Lianne Thompson, Douglas County Commissioner Tom Kress, Lake County Commissioner James Williams, and Polk County Commissioner Craig Pope were instrumental in highlighting AOC's opposition to the bill as written. AOC staff also advocated with the members of the House Committee on Agriculture and Natural Resources and ultimately prevailed in as the bill failed to move the bill out of committee.

#### MESSAGING

SB 605 ignored existing paths to annexation into a rural fire protection district and removed authority of the local board of county commissioners. It also had the potential to override the will of local voters opposed to annexation. The bill did not guarantee increased spending on fire infrastructure nor guarantee fire protection for those annexed. While the goal of increased rural fire protection is laudable, forced annexation with little accountability is not reflective of a collaborative, public input-driven process.

#### FISCAL IMPACT

Indeterminate- dependent on public process.

#### REVENUE IMPACT

N/A

#### EFFECTIVE DATE

N/A

#### VOTES

Senate Floor: 21-8-1

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# EMERGENCY RESPONSE

## Emergency Response Education for Public Officials *(Neutral)* [HB 2897](#)

*Died in House Committee on Rules*

### SUMMARY

HB 2897 would have required elected officials to undergo introductory training offered or approved of by the Federal Emergency Management Agency on incident command and the National Incident Management System. Moreover, the bill would have required local government officials who could reasonably be expected to fulfill an emergency response role to undertake any recommended training from their respective emergency manager.

### AOC ENGAGEMENT

AOC staff supported adoption of the -4 amendment, which softened the mandate within the bill. The adoption of that amendment brought AOC from a position of opposition to neutral.

### MESSAGING

While AOC appreciates the need for updated emergency response training, the bill seeks to force counties to cede local control.

### FISCAL IMPACT

Indeterminate - costs depend on how many opt in, the process of mapping, and the number of applicants and/or properties.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

N/A

### VOTES

N/A

## OR-Alert Statewide System (\$2.7 Million) (+) [HB 5002](#)

*Passed*

### SUMMARY

Investment in the Oregon (OR)-Alert statewide system is found in the Department of Administrative Services (DAS) budget bill. The Legislative Emergency Board approved a Statewide Emergency Alert System on October 23, 2020, following the catastrophic wildfires that ravaged the state during September of 2020. The DAS budget bill provides funding for a statewide mass emergency notifications system capable of disseminating location targeted messaging across a wide variety of communications paths including voice phone calls, text messages, emails, mobile device notifications, Really Simple Syndication (RSS) feeds, social media, and the Federal Emergency Management Agency (FEMA) Integrated Public Alert Warning System (IPAWS). IPAWS includes

broadcast television and radio via commercial, off-the-shelf software for state agencies, all 36 counties, and nine tribes.

### **AOC ENGAGEMENT**

AOC held an informational session on OR-Alert in the AOC Governance and Revenue Steering Committee. AOC advocated for support for the policy option package that funded OR-Alert in its communications with the co chairs of the Joint Committee on Ways and Means.

### **MESSAGING**

The September 2020 wildfires demonstrated the need for a streamlined, statewide emergency communications system. This package provides two positions to continue implementation of the OR Alert system.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

House Floor: 56-1-3

Senate Floor: 24-5-1

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## **FUNDING**

### **OLCC Warehouse and IT Modernization (+) [SB 5505](#)**

*Passed*

#### **SUMMARY**

The existing Oregon Liquor Control Commission (OLCC) warehouse in Milwaukie is nearing 100 percent capacity and relies on outdated enterprise technology, jeopardizing revenue growth from alcohol sales and secure transfers to counties. This bill provides funding for a new warehouse and IT modernization for OLCC.

#### **AOC ENGAGEMENT**

AOC maintained communications with OLCC throughout the budgeting process and included a new OLCC warehouse and IT system in its advocacy communications with the co chairs of the Joint Committee on Ways and Means.

#### **MESSAGING**

OLCC is an invaluable partner for counties in ensuring that local governments continue to receive timely payments from shared alcohol revenues. As expansion continues, AOC will continue to advocate for policy options that ensure secure transfers and support the long-term growth of this shared revenue source.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

Expanded warehouse capacity should allow alcohol revenues to increase over the long term.

## EFFECTIVE DATE

July 1, 2021

## VOTES

House Floor: 56-1-3

Senate Floor: 24-5-1

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# PUBLIC PROCUREMENT

## Raising Threshold on Competitive Bidding Requirements (+) [HB](#)

[3082](#)

*Passed*

### SUMMARY

HB 3082 came at the request of the Oregon Public Purchasing Association. It raises the contract price at which public improvement project solicitations are exempt from competitive bidding from \$5,000 to \$10,000.

### AOC ENGAGEMENT

AOC staff met with a public contracting coalition throughout the Session to discuss bills of importance to public procurement. AOC joined with many of these partners in written testimony on this bill.

### MESSAGING

This bill resolved a discrepancy between the small project thresholds outlined in ORS 279B and ORS 279C. By raising the threshold, counties may avoid competitive bidding processes that are more costly than the contract itself.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Floor: 58-1-1

Senate Floor: 27-0-1-2

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# PUBLIC RECORDS

## Attorney-Client Privilege for Public Records (+) [HB 2478](#)

*Died in House Committee on Rules*

### SUMMARY

HB 2478 would have maintained indefinitely the exemption from public records disclosure for public records subject to attorney-client privilege. The bill stemmed from an ongoing case in Portland (City of Portland v. Bartlett). The Court of Appeals in that case held that records older than 25 years were subject to disclosure.

### AOC ENGAGEMENT

AOC staff submitted individual testimony alongside a coalition of local government entities including the League of Oregon Cities (LOC), Special Districts Association of Oregon (SDAO), and Metro, along with many individual cities and counties.

### MESSAGING

Attorney-client privilege maintains the quality and forthright legal advice that public entities require in order to provide the best service to Oregonians. Records subject to disclosure risk exposing identifying information of those receiving county-provided public health and public safety services.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

N/A

### VOTES

N/A

## Public Records Fee Waivers (-) [HB 2485](#)

*Died in House Rules*

### SUMMARY

HB 2485 came at the request of the Society of Professional Journalists (SPJ). It would have required custodians of public records, including local governments, to reduce public records fees by 50 percent if the request was in the public interest and would require local governments to completely waive the fee if the request was in the public interest and narrowly tailored, unless the local government held a public meeting and declined to grant the public records fee waiver request. Notably, a request from a member of the news media (undefined in the bill) would automatically be considered in the public interest.

## **AOC ENGAGEMENT**

AOC joined the League of Oregon Cities (LOC) and the Special Districts Association of Oregon (SDAO) in raising concerns during the bill's public hearing. Staff also participated in a workgroup including SPJ convened by Representative Karin Power (D-Milwaukie) to discuss reaching middle ground. While no bill moved forward, there was discussion about limiting the bill's aims to egregious abuses of public records fees.

## **MESSAGING**

Counties are constrained in their ability to raise revenue for services like public records requests and thus often rely on fees for those services. Public records are often prepared by county counsels with sensitivity to the confidential information involved. Thus, preparation of such requests can be expensive to prepare. AOC will continue to advocate for preserving vital county revenue streams necessary to provide the best possible services for Oregonians.

## **FISCAL IMPACT**

The fiscal impact is indeterminant.

## **REVENUE IMPACT**

HB 2485 would have greatly reduced public records fees.

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

# **Health and Human Services**

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## **BEHAVIORAL HEALTH**

### **Behavioral Health System Improvements (+) [HB 2086](#)**

*Passed*

#### **SUMMARY**

HB 2086 appropriates \$10.2 million for increased reimbursement rates for co-occurring disorder treatment and for start-up funding for treatment programs that provide integrated co-occurring disorder treatment. The bill also establishes programs that ensure access to culturally specific and responsive services through additional studies, data, new metrics development, and social determinants of health.

The Oregon Health Authority will:

- Study and report on Medicaid rates paid for behavioral health services.
- Adopt rules requiring coordinated care organizations to provide housing navigation services and address social determinants of health.

- Collect data from providers who offer intensive behavioral health services.
- Report on the demand and capacity of intensive behavioral health treatment for children.
- Support a new Behavioral Health Committee established by the Oregon Health Policy Board, charged with developing quality metrics and incentives to improve behavioral health services, in which Community Mental Health Programs (CMHPs) are required to be represented.

### **AOC ENGAGEMENT**

AOC monitored this legislation.

### **MESSAGING**

Through the Governor’s Behavioral Health Advisory Council, these recommendations were developed to improve Oregon’s behavioral health system with a specific focus on racial equity. Commissioner Sharon Meieran from Multnomah County served on the council. AOC supports improving access to behavioral health services, including better utilizing federal and matching funds to support the work, and developing clearer, more collaborative system-wide standards for behavioral health care through data and metrics.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

Effective on passage.

### **VOTES**

House Vote: 54-4-1

Senate Vote: 21-7-2

## **Mobile Crisis Response (~) [HB 2417](#)**

*Passed*

### **SUMMARY**

Language from the earlier introduced [HB 3069](#) (which was to begin the rulemaking for Oregon’s mental health crisis line – “9-8-8”) was added to a heavily amended version of HB 2417. HB 2417 allocates \$15 million to mobile crisis, \$5 million of which is a one-time allocation for “costs associated with the crisis hotline center” to Oregon Health Authority (OHA), and \$10 million is an ongoing appropriation for mobile crisis services provided by Community Mental Health Programs (CMHPs) doubling the current biennial investment. The bill also permits a city to request funding from their county to address mental health crisis response, rather than creating siloed efforts among jurisdictions covering the same geographic areas.

### **AOC ENGAGEMENT**

AOC worked with the bill sponsors, OHA, and other stakeholders throughout Session to provide information about how county behavioral health systems work, and to ensure the bill language had

no unintended consequences for county providers or services. AOC participated in a small workgroup to discuss changes needed to the bill and offered improvements to the bill – including requesting a pass-through system for cities to work with counties on mobile crisis. AOC also advocated for increased mobile crisis funding.

AOC membership provided significant feedback on local mobile crisis units to help staff develop appropriate language changes.

AOC also participated in the governor’s workgroup on 9-8-8 throughout the Session.

### **MESSAGING**

Counties are required by statute to provide mobile crisis services. As a result, mobile crisis policies need to center on the systems that already exist, build upon them, and should effectively not silo, or limit services from being delivered. Oregon’s statewide 9-8-8 system will go live in July of 2022. Changes to the statewide mobile crisis response system should provide flexibility and appropriate resources to jurisdictions that provide these services and maintain local control of community-specific needs with consideration to resources available.

### **FISCAL IMPACT**

There is an indeterminate fiscal impact to counties, as some mobile crisis costs will be absorbed by existing, and new investments in county mobile crisis systems. However, when the 9-8-8 system goes live in June 2022, it is unknown how many new users will access the statewide system, what role community mental health programs will have in supporting those in crisis, and how the system as a whole will operate.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

House Vote: 40-17-2

Senate Vote: 21-6-1-2

## **Telehealth Parity (+) [HB 2508](#)**

*Passed*

### **SUMMARY**

In response to the COVID-19 pandemic, federal and state agencies in 2020 issued guidance to quickly ease regulatory constraints on coverage, reimbursement, and types of permitted technologies used to access to physical and behavioral health services. HB 2508 establishes telehealth care services at parity with in-person services, including audio/video and telephone services.

### **AOC ENGAGEMENT**

AOC monitored this legislation.

## **MESSAGING**

Telehealth services provide important access points for those with health care needs who are unable to access in-person care, including those living in rural and frontier areas, the elderly, and people with disabilities.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

June 1, 2021

## **VOTES**

House Vote: 56-1-3

Senate Vote: 22-6-2

## **Behavioral Health Workforce (+) [HB 2949](#)**

*Passed*

## **SUMMARY**

HB 2949 establishes a Behavioral Health Provider Incentive Program, including \$80 million in investments to diversify, retain, and recruit Oregon's behavioral health providers. The bill allocates \$60 million to the "Behavioral Health Incentive Subaccount" created by the measure and \$20 million for the coverage of supervision costs. Of this \$20 million, \$7 million is dedicated specifically to Community Mental Health Programs (CMHPs) for this purpose.

## **AOC ENGAGEMENT**

AOC submitted testimony on the bill's impact to counties, met with the bill sponsor's office, and monitored the bill to ensure appropriate funding was allocated.

## **MESSAGING**

Increasing the behavioral health workforce in Oregon is a pillar in ensuring a sound statewide behavioral health system. Providers (especially those in the public system) need to be adequately paid and supported, in order to be retained. While HB 2949 does address some of the critical workforce issues the behavioral health system faces, additional workforce supports for the public system will be needed in the future.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

July 1, 2021

## VOTES

House Vote: 51-6-1-1

Senate Vote: 20-7-3

## Improving Youth Suicide Reporting (+) [HB 3037](#)

*Passed*

### SUMMARY

In 2015, SB 561 directed the Oregon Health Authority (OHA) to develop a communication plan between local mental health authorities, schools, and OHA to ensure all parties coordinate to address the aftermath of a youth suicide – to prevent additional harm and to promote healing. A missing component was discovered in the 2015 Act – communication by county medical examiners about a youth suicide across county lines was not permitted by law and needed to be corrected. HB 3037 corrected this, facilitating better communication among local mental health authorities, ultimately promoting healing and more effective postvention work.

### AOC ENGAGEMENT

AOC supported the development and passage of HB 3037. AOC staff submitted testimony and collected county data.

### MESSAGING

HB 3037 facilitates stronger communication across county lines and appropriate entities, fostering greater postvention support.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Vote: 59-0-1

Senate Vote: 28-1-1

House Vote (Concurrence with Senate Amendment): 57-0-2-1

## Behavioral Health Parity (+) [HB 3046](#)

*Passed*

### SUMMARY

HB 3046 creates more specific and strict insurance reporting requirements for compliance with parity. The bill creates legal alignment with the United States District Court of the Northern District of California in *Wit v. United Behavioral Health*, 2019. This decision made clear that behavioral health coverage and benefits must be provided no more restrictively than for medical and surgical

coverage. HB 3046 improves access to behavioral health through improved provider services and systems akin to the physical health care system, with the goal of addressing patient root cause.

### **AOC ENGAGEMENT**

A significant behavioral health provider coalition was formed around supporting HB 3046. AOC supported Community Mental Health Programs (CMHPs) as needed in lobbying legislators, submitting testimony, and signed onto coalition one-pagers.

### **MESSAGING**

This bill aligns state and federal law and supports access to behavioral health treatment.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

January 1, 2023

### **VOTES**

House Vote: 55-0-1-3

Senate Vote: 23-4-3

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## **BUDGET BILLS**

### **Capital Construction- Budget Reconciliation (+) [HB 5006](#)**

*Passed*

#### **SUMMARY**

HB 5006 is the end of session budget reconciliation bill. This bill biennially contains a number of programs and special projects. Notable projects for the health and human services policy portfolio are listed below by intersection with state agencies.

#### **Oregon Housing and Community Services**

- Proceeds from the sale of \$410 million in Article XI-Q bonds will be used by the Oregon Housing and Community Services (OHCS) department to develop affordable housing units and supportive housing units for Oregonians who have experienced chronic homelessness. The Local Innovation and Fast Track (LIFT) rental program produces approximately 750 units of affordable housing for every \$100 million in funding. Of the total amount of bond proceeds, \$60 million is intended to fund applications submitted in the 2019-21 biennium that would have been successful candidates for project funding but for the fact that available funding was insufficient to meet demand. An estimated \$50 million in bond proceeds will be directed toward construction of approximately 350 units of housing with supportive services for very low-income Oregonians who require tenancy services and rental assistance to remain stably housed. A \$1.6 million General Fund allocation is included for supportive services and rental assistance payments associated with those

units, based on the timing of bond issuance and units ready for occupancy in the 2021-23 biennium. Supportive services and rental assistance on these units is anticipated to cost \$15.5 million General Fund in the 2023-25 biennium; coupled with service and rent assistance for units constructed with bonds authorized in 2019-21 biennium, the total “service dollars” costs are expected to reach \$28.7 million in 2023-25.

- \$4.5 million is allocated for rental assistance payments associated with a long-term rental assistance program established in HB 2163 (2021). The program is for rental assistance payments to individuals aged 25 and younger who are or have recently been homeless, in substitute care, incarcerated, or in a facility for mental health or dependency treatment.
- \$100.4 million General Fund for construction, rebuilding, and financing initiatives for wildfire survivors. Two positions were authorized to support these initiatives. \$50.8 million Other Funds (including \$780,071 for cost of bond issuance) will allow the Department to acquire land for rebuilding efforts, as well as to provide interim housing for those displaced by wildfires.

### **Oregon Health Authority**

- The Oregon Health Authority (OHA) shall study the behavioral health structures for services provided through state agencies and whether the structure adequately meets the current needs of the state as identified by the Alcohol and Drug Policy Commission strategic plan and the State Health Improvement Plan. OHA shall analyze the cost required to meet projected unmet needs, current revenue sources, and additional revenue options, including, but not limited to, taxes related to alcohol, income, and telecommunications. OHA shall report its findings to an interim committee of the Legislative Assembly related to behavioral health no later than February 1, 2022.
- The budget offers a budget-neutral reduction of \$300 million in General Fund and an increase in Other Funds expenditure limitation in the same amount in order to use federal American Rescue Plan Act State Fiscal Recovery Funds for OHA to maintain health-related services at the Oregon State Hospital.

### **Oregon Department of Human Services**

- The budget allocates \$76 million General Funds on a one-time basis and authorized nine limited-duration positions to administer shelter and food services for wildfire survivors.
- \$131 million total funds (\$44.3 million General Fund) are allocated for implementation of new rate models for Intellectual and Developmental Disabilities services. Effective July 1, 2021, a portion of the funds will be used to provide an across-the-board 3.2 percent rate increase. Effective July 1, 2022, the balance of the funds will be used to implement the new rate models at 80 percent of cost. The Department of Human Services is directed to fully fund the new rate models at 100 percent of cost, which has an estimated additional 2021-23 cost of \$55.3 million total funds (\$28.5 million General Fund). It is the Legislature’s intent to fully fund provider rates for adult and children’s group home services, day support services, employment services, attendant care, supported living, and nonmedical transportation.
- \$95 million in Other Funds are approved for Employment-Related Day Care (ERDC) costs, including a new co-pay policy. The source of Other Funds for the ERDC program is funding transferred from the Department of Education’s Early Learning Division and includes

American Rescue Plan Act funds specifically for early learning and childcare related spending.

### **Criminal Justice Commission**

- \$10 million in General Fund resources are allocated on a one-time basis to recapitalize the Improving Peoples' Access to Community-Based Treatment, Support, and Services (IMPACTS) account and provide grant awards. SB 973 (2019) created the IMPACTS Account for making grants to counties and federally recognized American Indian tribes for community supports and services for individuals with mental health or substance abuse disorders leading to their involvement with the criminal justice system.

### **AOC ENGAGEMENT**

AOC lobbied the Legislature for increased investments in permanent supportive housing services and bonding; increased rates for IDD providers; and for a renewal and increase of the IMPACTS grants. Deschutes County Commissioner Phil Chang testified on behalf of AOC in support of renewing the IMPACTS grants in the House Committee on Behavioral Health.

### **MESSAGING**

The investments made in HB 5006 provide an integrated system of supports between counties as service providers, and the state.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

House Vote: 55-0-4

Senate Vote: 24-3-3

## **Oregon Housing and Community Services (+) [HB 5011](#)**

*Passed*

### **SUMMARY**

HB 5011 provides significant investments in housing programs and projects.

#### **Housing Stabilization Programs**

HB 5011 provides \$555 million total funds in housing stabilization programs. Most notably, HB 5011 provides:

- **\$1.18 million General Fund investment to the Homeless Management Information System (HMIS)** used by community action agencies and continuums of care organizations to collect statewide data on homelessness and report outcomes for homeless individuals.

This package provides for centralized management of HMIS within the Oregon Housing and Community Services (OHCS) department, functionality and reporting improvements, and training to local partners who are required to use the system. These improvements will ensure that data is more consistent, and therefore accurate, which is critical to ensuring that Oregon receives its fair share of federal funding for homelessness programs. Improvements will also help monitor the state's progress in addressing homelessness.

- **\$252 million investment of one-time Federal Funds** expenditure limitations for approximate program payments as follows:
  - \$4 million related to Community Services Block Grant funds received through the Coronavirus Aid, Relief, and Economic Securities (CARES) Act;
  - \$129 million related to emergency rental assistance programs provided for through the American Rescue Plan Act (ARPA);
  - \$49.2 million for emergency solutions grant funds under the CARES Act;
  - \$1.5 million for Low Income Home Energy Assistance Payments under the CARES Act;
  - \$54.5 million in Low-Income Home Energy Assistance Payments from a supplemental award from ARPA; and
  - \$13.4 million for the Low-Income Household Water Assistance Payment Program from ARPA funds.
- \$30 million one-time General Fund investment:
  - \$3 million for capacity increases and administrative support for subgrantees; and
  - \$25 million for grants for shelter assistance and \$2 million for grants and technical assistance to eligible entities to develop and operate emergency shelters across the state.

### **Rental Housing Assistance**

HB 5011 provides \$196 million total funds investment in Project-Based Rental Housing Assistance. Most notably, HB 5011 provides:

- \$12.2 million for Permanent Supportive Housing – Local Innovation and Fast Track (LIFT) rental program. All rental assistance and service dollars associated with permanent supportive housing units financed by bonds approved for OHCS for this purpose will be managed and administered by OHCS, rather than the Oregon Health Authority. In addition, \$1 million in other funds will be used to provide rental assistance associated with permanent supportive housing units that were constructed with bonds authorized in the 2019-21 biennium.

### **Affordable Housing and Childcare**

HB 5011 provides \$10 million investment for an affordable housing and childcare center development proposal.

- OHCS is directed to develop a proposal, in cooperation with the Department of Education (DOE), and Early Learning Division, for a grant program that supports gap financing for affordable rental housing projects that are co-located with childcare or early learning centers. OHCS will work with DOE to identify opportunities, considerations, partnerships, financing options, and funding sources that should be incorporated into such a development. A report is due to the Legislature by February of 2022 on the potential for

offering a competitive funding opportunity for rental housing developments that include childcare or early learning centers.

### AOC ENGAGEMENT

Lane County Commissioner Heather Buch testified in support of increasing investments for permanent supportive housing, long-term rent assistance for youth at-risk, and to improve the homeless management information system in the OHCS budget bill on behalf of AOC and Lane County.

### MESSAGING

Stable and affordable housing is one of the first steps to promoting health and safety for people experiencing homelessness, those in the foster system, and those experiencing behavioral health crises, or living with substance use disorders. Counties being one of the primary providers of public and behavioral health services in Oregon, have a vested interest in ensuring there is sufficient and appropriate housing for all Oregonians.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

### VOTES

House Vote: 56-3

Senate Vote: 23-5-2

## Oregon Health Authority (+) [HB 5024](#)

*Passed*

### SUMMARY

A number of investments significant to counties are provided in the Oregon Health Authority (OHA) budget bill.

#### Behavioral Health Investments

Outlined below are critical investments and items of note for counties regarding behavioral health investments presented in the OHA budget.

- HB 5024 provides no cuts to inflation for Community Mental Health Programs (CMHPs) or to the Choice program, as originally recommended by the Governor's Recommended Budget. The Choice program provides care coordination for people experiencing serious and persistent mental illness.
- Investment of **\$70.2 million to completely backfill marijuana revenue dedicated to behavioral health** that was redirected by Ballot Measure 110. This does not backfill county

General Funds, but specifically makes up for the gaps in marijuana tax money used by Local Mental Health Authorities for behavioral health services.

- **\$21.5 million for “aid and assist”** community restoration and clinical services, rental assistance and wraparound support, the majority of which will be allocated to CMHPs. This funding continues a \$2.25 million General Fund investment made by the Legislature during the 2019-21 biennium. The goal of funding community-based restoration services is to serve individuals at the least restrictive, most efficient level of care wherever possible in order to avoid more costly care in more restrictive settings such as the Oregon State Hospital.
- **\$25 million for continuation of the Certified Community Behavioral Health Clinic (CCBHC) program** through the 21-23 biennium. A budget note was added with evaluation specific language. In addition to continuing with administration of the federally certified Community Behavioral Health Clinic demonstration project, evaluation requirements in the budget note tasked OHA with the following:
  - Evaluate whether CCBHCs:
    - Increase access to behavioral health treatment for residents of this state;
    - Provide integrated physical and behavioral health care;
    - Offer services that result in improved health outcomes, lower overall health care costs and improved overall community health; and
    - Reduce the cost of care for coordinated care organization members.
- **\$50 million for the “Transformation and System Alignment”** special purpose appropriation for “investments that align outcomes, roles, responsibilities, risk, and incentives in Oregon’s behavioral health system.”
  - \$1 million General Fund and two positions for contract planning efforts to transform Oregon’s behavioral health system.
  - In addition to the \$1 million General Fund for OHA for this effort, HB 5024 creates a \$49 million Special Purpose Appropriation to the Emergency Board to be allocated to OHA to transform Oregon’s behavioral health system into one that aligns outcomes, roles, responsibilities, risk, and incentives. To further address this issue, the Legislative Policy and Research Office will convene a workgroup to address health inequities. The workgroup will make recommendations to equitably distribute non-Medicaid funding for behavioral health services to align contract provisions with the goals of preventing hospitalizations, criminalization, and homelessness, while also eliminating health inequities.
- **\$130 million for the “Regional Development and Innovation”** special purpose appropriation for “capital, start-up, and operational costs related to increasing statewide capacity of licensed residential facilities and housing for people with behavioral health needs.” OHA shall award up to \$5 million to community mental health programs, tribes, Regional Health Equity Coalitions, and other community grantees by September 1, 2021, for identifying community needs, assessing the feasibility and sustainability of potential projects, and other planning activities necessary to increase residential facility and housing capacity with a focus on reducing health inequities. OHA shall issue a Request for Proposals by December 31, 2021, and a recommendation for how to invest available funds for increasing culturally and linguistically appropriate residential treatment and housing capacity to the legislature by March 1, 2022.

- **\$31 million to open two new secure residential treatment facility units** at the Oregon State Hospital- Junction City to address capacity issues.
- Sets aside **\$20 million for the Emergency Board** to address Oregon State Hospital staffing issues, once a sustainable plan is developed. This planning process is required to include CMHP's.

### Public Health Investments

Outlined below are critical investments and items of note for counties regarding public health investments presented in the OHA budget.

- **\$45 million for public health modernization** and adds 24 positions (24 full-time equivalent). This investment will improve the state's core public health capacity to deal with emerging public health challenges and address health inequities. The Legislature invested \$5 million General Fund in 2017, and \$10 million in 2019 in this multi-biennial effort to modernize Oregon's public health system, which means that a total of \$60 million in on-going investments will be made in Public Health Modernization with the addition of the \$45 million investment in the 2021-23 biennium. Continued efforts will be made to reach the goal of \$210 million per biennium in upcoming sessions
- **Universally offered home visiting: \$4,607,350 General Fund, \$3,196,819 Federal Funds** expenditure limitation and four positions (3.50 full-time equivalent), to continue the rollout of the universally offered home visiting program established by SB 526 (2019), making this service available to an additional two to four communities during the 2021-23 biennium. Planning for this program has been ongoing in the 2019-21 biennium, although service rollout was delayed due to the COVID-19 pandemic.

### AOC ENGAGEMENT

AOC provided feedback and significant lobbying efforts for funding of CCBHC's, public Health modernization, aid and assist, inflation for CMHPS, the Choice program, and marijuana backfill. Feedback was provided via testimony; meeting with legislators, budget staff, and agencies; signing onto coalition letters; and organizing AOC membership to testify.

AOC staff was also invited to attend a series of meetings to discuss the larger systemic problems involving the Oregon State Hospital, facilitated by Joint Committee on Ways and Means Subcommittee on Human Services Co Chair Kate Lieber.

Multnomah County Commissioner Sharon Meieran testified in support of the OHA budget bill on behalf of AOC.

### MESSAGING

The OHA budget contains many of the most critical state investments for county public health and behavioral health services. This year, the Legislative Session started under the premise of being in a "cuts" budget, which generally meant that existing resources for current services may be cut, or that previously cut resources may not be reallocated. However, by the May revenue forecast, it was clear that the state would have significantly more resources to spend from the American Rescue Plan Act and state tax revenues, from what was originally anticipated as the state faced an economic downfall. The investment made in the behavioral health system this biennium is of historic magnitude.

### FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

House Vote: 44-13-1-1

Senate Vote: 21-7-2

# Oregon Department of Human Services (+) [SB 5529](#)

*Passed*

## SUMMARY

SB 5529 contained significant investments in Intellectual and Developmental Disability (IDD) case management, Community Developmental Disabilities Programs (CDDPs), and domestic violence services. Below are highlights from those investments in the Oregon Department of Human Services (ODHS) budget bill.

### IDD Investments

CDDPs are legally required by the state and federal governments to provide certain services to individuals with IDD, as mandated by the state's K-Plan and waivers. The state funds I/DD case management with a "workload model." This model estimates the staffing needs that will be required to carry out the work that the state must provide.

- In this 2021-23 budget, 91 percent of the positions indicated as necessary by the workload model were funded. In comparison, in the 2019-2021 biennium, CDDPs received approximately 80 percent of funding for positions. The state will now provide CDDPs with 95 percent of the funding for the positions required by statute. The total funds budget for the IDD workload funding for the 2021-2023 biennium is \$295.7 million. This increased investment is \$87.6 million above the 2019-2021 funding levels and is a 42 percent increase over the appropriated budget in 2019-2021.

### CDDP Investments

\$250,000 total funds are allocated for the department to contract for a study to identify and make recommendation for an improved funding structure for CDDPs. The department is expected to report the study's findings and recommendations to the Legislature by December 31, 2022.

- *\*The study was originally introduced as HB 3116 and was moved into the ODHS budget for ease of passage.*

### Domestic Violence/Survivor Investment Partnership

\$10.0 million General Fund dollars are allocated for three permanent positions and contract costs to create the Survivor Investment Partnership Program. The program will provide domestic violence and sexual assault recovery services to survivors through contracts with culturally specific organizations and tribes.

## AOC ENGAGEMENT

AOC submitted testimony, and lobbied legislators to fully fund the IDD workload model for CDDPs; to improve and create better accountability structures for CDDP workload decisions; and to provide \$10 million in funding for the Survivor Investment Partnership.

## MESSAGING

While the need is not fully funded, it makes a significant increase in funding for a population with sincere needs for support from the state—services which are often underfunded. Resources used to bridge the gap in funding needs specific to IDD come from standing resources in the state budget rather than one-time resources like the American Rescue Plan Act investments – indicating long-term sustained investment in future biennia.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

Senate Vote: 23-6-1

House Vote: 54-2-3

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# HOUSING

## Emergency Shelter Siting Funding (+) [HB 2004](#)

*Passed*

### SUMMARY

As a partner bill to HB 2006, HB 2004 provides funding for emergency shelters. \$27 million in General Fund is allocated to the Housing and Community Services Department for emergency shelter grants, and \$2 million allocated for technical assistance for organizations developing and operating emergency shelters or transitional housing accommodations for the biennium beginning July 1, 2021. Allocations provided by jurisdiction include:

- \$1.5 million to the City of McMinnville;
- \$1.5 million to the City of Roseburg,
- \$2.5 million to the City of Bend;
- \$2.5 million to the City of Medford;
- \$5 million to the City of Salem; and
- \$5 million to Lane County for a navigation center in the City of Eugene.

## AOC ENGAGEMENT

AOC monitored this legislation.

## **MESSAGING**

AOC recognizes the need for housing at all levels including emergency housing, transitional housing, permanent rent assisted housing, mixed income housing, and permanent supportive housing. This bill offers tools to counties to provide critical resources in ensuring housing for Oregonians.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

May 12, 2021

## **VOTES**

House Vote: 48-10-2

Senate Vote: 23-5-2

## **Emergency Shelter Siting** *(No Position)* \* [HB 2006](#)

*Passed*

## **SUMMARY**

HB 2006 requires local governments to approve emergency shelter developments under certain conditions, including facilities that:

- Include sleeping and restroom facilities for clients;
- Will comply with applicable building codes;
- Are located inside an urban growth boundary or in an area zoned for rural residential use as defined in ORS 215.501;
- Will not result in the development of a new building that is sited within an area designated under a statewide planning goal relating to natural disasters and hazards, including flood plains or mapped environmental health hazards, unless the development complies with regulations directly related to the hazard;
- Have adequate transportation access to commercial and medical services; and
- Will not pose any unreasonable risk to public health or safety.

The bill permits the Oregon Housing and Community Services Department (OHCS) to use Emergency Housing Account dollars to provide grants and technical assistance to organizations developing and operating emergency shelters and transitional housing. The bill authorizes the Department of Administrative Services (DAS) to provide grants to local governments for development and operation of navigation centers, which must be fully operational on or before July 1, 2022.

The requirements under the bill for local governments to approve emergency shelter developments expire on July 1, 2022. The new authorities granted to OHCS and DAS are repealed on January 2, 2024.

## **AOC ENGAGEMENT**

AOC staff requested the bill be amended - to change the language requiring local governments to approve emergency shelter developments to more flexible language, allowing local governments to choose to approve. The amendment was not supported by the sponsor of the bill, and the language was not changed.

*\* AOC did not take a position on the final version of the bill as it did not incorporate AOC amendments.*

## **MESSAGING**

AOC recognizes the need for additional housing, and strongly supports local control over community development and decisions. With this in mind, AOC supported HB 2006 with an amendment to remove the requirement to require local governments to approve the siting of emergency shelters.

## **FISCAL IMPACT**

Local governments may experience a fiscal impact depending on whether an emergency shelter/navigation center allowed under this measure is established in their jurisdiction, whether other assistance is provided, and whether additional public safety responses are required, but any such potential impact is indeterminate at this time.

**FOR ADDITIONAL INFORMATION, SEE [HB 2004](#).**

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

May 12, 2021

## **VOTES**

House Vote: 54-4-2

Senate Vote: 26-1-1-2

## **Modernizing Oregon's Homeless System** *(No Position)* [HB 2100](#)

*Passed*

## **SUMMARY**

HB 2100 requires the Housing and Community Services Department (HCSD) and the Oregon Housing Stability Council to consider advice on housing and community service programs from persons who have experience housing instability; tribes; Community Action Partnership of Oregon; continuums of care; local governments; nonprofit organizations; homeless services providers; culturally specific organizations; housing providers; veterans' services organizations; and other entities identified by HCSD by rule.

The bill requires federal funds for housing stabilization, to the extent consistent with federal law, to be allocated statewide in a manner proportionate to a needs-based and geographically-based formula. HB 2100 stipulates that 25 percent of the funds deposited in the County Assessment and Taxation Fund are dedicated to the Emergency Housing Assistance (EHA)/ State Homelessness

Assistance Program (SHAP) for assistance to veterans who are homeless or at risk of becoming homeless.

Under the bill, a 19-member task force on homelessness and racial disparities is created. The task force charged with identifying and investigating potential changes in Oregon’s funding structure to address racial disparities among people experiencing homelessness and housing insecurity. The task force is required to submit a report to a committee of the Legislature by January 15, 2022. The task force sunsets on July 1, 2022.

Counties who operate community action agencies or distribute anti-poverty funds may see a change to the current funding formula used by the state for the EHA program.

### **AOC ENGAGEMENT**

AOC monitored HB 2100, and met with the Housing and Community Services Department, along with other stakeholders to ensure County funding (through Community Action Agencies) was not diminished.

### **MESSAGING**

A change to the federal anti-poverty funding formula may have an impact on counties, and, in particular, those who operate community action agencies. Establishing a competitive grant formula may make it difficult for smaller or rural county anti-poverty agencies to continue to provide services appropriate to their communities, as they may not have the staff capacity to apply for grants through the agency.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 14, 2021

### **VOTES**

House Vote: 45-14

Senate Vote: 20-9-1

House Vote (Concurrence with Senate Amendment): 43-13-1-2

## **Addressing Homelessness and the Use of Public Land** *(No*

*Position)* [HB 3115](#)

*Passed*

### **SUMMARY**

In the *Martin v. City of Boise* case, the United States Court of Appeals for the Ninth Circuit ruled that people experiencing homelessness cannot be punished for sleeping outside on public property in the absence of adequate alternatives, or unless the law imposes “reasonable time, place, and manner” restrictions on the regulated activities in public space. Some cities and counties are already in the process of updating their ordinances following the court decision. Local governments are now tasked with complying with current constitutional law by passing ordinances considered

“objectively reasonable” that take into account the perspective of all stakeholders, including persons experiencing homelessness, and that are specific to individual communities. The bill sets an implementation date of July 1, 2023, to allow local governments time to develop new compliant ordinances.

### **AOC ENGAGEMENT**

AOC participated in the workgroup held on this matter leading up to the Legislative Session led by the Oregon Law Center and the League of Oregon Cities.

AOC Legal Counsel also participated in the workgroup and advocated for additional liability protections to be added to the draft language. Unfortunately, that language was not included in the bill, and as a result, AOC took no position on the bill.

### **MESSAGING**

The workgroup including local governments and the Oregon Law Center has been characterized as a “consensus workgroup.” AOC took no position, and made it clear that without additional liability protections, the Association neither supported nor opposed the final language agreed upon by many other members of the workgroup.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

June 23, 2021

### **VOTES**

House Vote: 35-23-2

Senate Vote: 18-10-2

## **Local Housing Technical Assistance (+) [HB 3260](#)**

*Died in House Committee on Housing*

### **SUMMARY**

In 2017, AOC, in partnership with the League of Oregon Cities (LOC), the Department of Land Conservation and Development (DLCD), and the Oregon Housing and Community Services Department (OHCS) began an initiative to better support and resource local housing technical assistance. The result of this partnership was a concept to create a housing technical assistance program, which was introduced first in 2019 as HB 2228, and was reintroduced this Legislative Session as HB 3260. The bill proposes regional staff provide technical support to build basic capacity for housing in all corners of the state, and requests \$2 million to resource the program. This technical assistance would include:

- Helping communities get through the first key stages of the housing pipeline that consists of a housing needs analysis and a buildable lands inventory.
- Changing comprehensive plans and zoning ordinances.

- Completing initial community readiness and project feasibility and ballpark pro formas.
- Identifying funding strategies for key infrastructure needs that hinder or stymie housing development.
- Providing general community development housing support such as conducting asset mapping and identifying needed land availability, incentives, financial programs, community issues and the on the ground conditions which can hinder or help launch projects and then develop integrated approaches.
- Providing overall coordination and staff support for the convening role that local elected officials can play to bring multiple stakeholders together to develop and implement on-the-ground, integrated housing solutions.
- Convening private, civic and community groups needed to deliver housing.

### **AOC ENGAGEMENT**

AOC staff has led on this concept in partnership with AOC membership since 2017 when the idea was originally developed. In the 2021 Legislative Session, COVID-19 and wildfires were at the forefront of legislative discussions. Unfortunately, HB 3260 was unable to pass due to a lack of political will. AOC will continue to push for increased technical assistance to bridge the gap.

In the 2021 Session, AOC staff arranged an informational hearing on the concept, which included the LOC, DLCD, OHCS, Tillamook County Commissioner Erin Skaar of Tillamook County and Representative David Gomberg (the chief sponsor of the bill).

### **MESSAGING**

Communities across the state in need of additional housing have reported that bridging the gap through the “last mile” is what is most needed to complete necessary housing projects. For some, this is due to under-staffing, or limited capacity within existing resources. HB 3260 would allow the unique needs of communities to be met by additional funding, people power, and technical assistance to complete much-needed affordable, workforce, and middle housing.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

N/A

## **Project Turnkey Property Conversions** *(No Position)* [HB 3261](#)

*Passed*

### **SUMMARY**

Certain communities applying for Project Turnkey were unable to zone hotels or motels for emergency shelter use due to limiting land use restrictions. As a result, HB 3261 seeks to remedy

this challenge by requiring local governments to allow conversion of hotels and motels into emergency shelters. Emergency shelters would then be converted into affordable housing. The requirements are applied to properties within urban growth boundary, with adequate transportation access to commercial and medical services, and not within heavily industrial zone or natural disaster areas, unless the converted use complies with associated regulations.

### **AOC ENGAGEMENT**

AOC provided additional context for legislators wanting to understand the reason for the bill, and what it meant for current and upcoming proposals being considered for Project Turnkey funding.

### **MESSAGING**

The bill allows greater accessibility to counties in creating emergency shelter and affordable housing through Project Turnkey – the successful AOC County Solutions and partner program allowing conversion of hotels and motels into emergency and longer-term housing solutions.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

May 6, 2021

### **VOTES**

House Vote: 41-12-6

Senate Vote: 19-8-3

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## **HUMAN SERVICES**

### **Early Childhood Governance** *(No Position)* [HB 3073](#)

*Passed*

### **SUMMARY**

HB 3073 creates the Department of Early Learning and Care (DELIC) and makes changes to the Employment Related Day Care (ERDC) program. The bill includes the following major policy changes:

- Makes the Early Learning Council (ELC) responsible for leading the planning that establishes the goals, objectives, and strategies for a statewide early learning system.
- Establishes the separate DELIC and abolishes the Early Learning Division which is now part of the Department of Education. The new agency is established on January 1, 2023. The early learning director becomes the head of the new department and the responsibilities, duties, and powers of the director and the new agency are described. This includes general transfer language moving duties, powers, functions, responsibilities, funds, property, records, and staff from the Department of Education to the new agency.
- Requires provider payments to be based on enrollment, not attendance.
- Provides that eligibility may not be based on the citizenship or legal status of a child or a

child's family (effective June 30, 2023).

- Codifies conditions under which a provider may be eligible to receive a higher rate of reimbursement or other financial incentive.

### **AOC ENGAGEMENT**

AOC monitored this legislation.

### **MESSAGING**

This is an important change for ensuring that the needs of children are prioritized. The Department of Early Learning Care will provide more structure and governance around the early learning system. Counties that provide early learning services will see a change in state operations and will likely have the opportunity to weigh in as the new agency is formed.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 27, 2021

### **VOTES**

House Vote: 49-9-1

Senate Vote: 20-7-3

House Vote (Concurrence with Senate Amendment): 48-8-3

## **Medicaid Inmate Exclusion Policy Memorial (+) [HJM 7](#)**

*Died in House Committee on Judiciary*

### **SUMMARY**

HJM 7 urges Congress to remove the Medicaid Inmate Exclusion Policy (MIEP) from the Social Security Act. The MIEP limits pre-trial detainees from accessing their federal health benefits, including Medicaid, Children's Health Insurance Plan (CHIP), and certain veteran services.

### **AOC ENGAGEMENT**

AOC staff organized a workgroup to draft language for HJM 7, including health policy experts, public safety, county officials, and legislators. AOC staff fostered bipartisan support for the bill and worked closely with federal partners and the National Association of Counties (NACo) staff to refine language and research the federal policy.

### **MESSAGING**

The Medicaid inmate exclusion policy works against the continuum of care that is necessary for long term health outcomes for individuals who use federal health benefits. It is critical that the state, along with counties, continue to urge the federal government to change the Medicaid inmate exclusion policy, which does not support the basic constitutional rights of individuals awaiting trial.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

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# PUBLIC HEALTH

## Non-Medical Exemptions for Vaccination of School-Aged

**Children** *(No Position – AOC Special Report)* [SB 254](#)

*Died in Senate Committee on Veterans and Emergency Preparedness*

### SUMMARY

SB 254 removes non-medical (i.e. religious or personal) exemptions for immunizations that are required for children to attend school or a children's facility in Oregon. Children who have not received the required immunizations may still attend home school or participate in public or private online education. The bill expands the medical exemption from a health care provider, allowing licensed physician's assistants and naturopathic physicians to provide a medical exemption. It does not require any specific vaccine (including a COVID-19 immunization) for anyone, including children. Under the bill, the Oregon Health Authority is required to establish an outreach and education plan related to implementing this bill that includes culturally and linguistically appropriate outreach and education.

### AOC ENGAGEMENT

In 2019, AOC membership voted to support HB 3063, and AOC lobbied for the bill. SB 254 is similar to HB 3063 in overall policy, with a few modifications.

The AOC Legislative Committee requested a special report be written on SB 254 to express the range of views related to vaccine exemptions in Oregon. When asked, AOC staff utilized the special report to engage on SB 254.

### MESSAGING

The AOC Special Report highlighted the range of talking points and views expressed by AOC membership:

#### Support

- Counties, which are the local public health authorities, are responsible for immunization programs across the state. This bill would help increase immunization rates in schools and protect communities from preventable communicable disease outbreaks.
- Children who are immunocompromised are at risk, and require the community, and their peers, to help prevent them from getting sick while attending a public school or children's facility.

- This is a public health measure that works to decrease incidents of medical illnesses, creating herd immunity.

### **Oppose**

- A parent's right to choose whether or not they immunize their children is personal, and the state should not be involved in that decision.
- Vaccine safety and adverse reactions are concerning for the safety and well-being of children.
- Taxpayer dollars are used to pay for public education, and all taxpayers should be able to send their children to public school, regardless of immunization status.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

N/A

## **Tobacco Retail Licensure** *(No Position)* [SB 587](#)

*Passed*

### **SUMMARY**

SB 587 requires tobacco retailers to have a license to sell tobacco products and requires license renewal annually. The bill institutes a statewide regulatory and enforcement system; however, it allows local jurisdictions to maintain their local tobacco retail licensing. It requires an annual fee to cover costs associated with retailer education, enforcement, and surveillance.

### **AOC ENGAGEMENT**

AOC did not take a position on SB 587 and did not advocate for support or opposition of the bill. In previous years, AOC has supported a statewide law on tobacco retail licensure.

### **MESSAGING**

This bill creates a statewide system for tobacco licensing but maintains local jurisdiction authority for those that already have a licensure program.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

91 days following adjournment.

## VOTES

Senate Floor: 20-8-2  
House Floor: 43-15-1

## Racism as a Public Health Crisis *(No Position)* [HB 2337](#)

*Died in Joint Committee on Ways and Means*

### SUMMARY

HB 2337 establishes racism as a public health crisis and requires all state agencies to collect and study demographic data consistent with rules created by the Oregon Health Authority (OHA). The bill would direct \$2 million to OHA to provide grants for a mobile health unit pilot program delivered by local public health authorities to advance the goals of promoting health equity and eliminating health disparities, in addition to studying the feasibility of statewide mobile health unit expansion.

### AOC ENGAGEMENT

AOC monitored HB 2337.

### MESSAGING

Mobile health units are not within the current service delivery model for local public health, if the bill is re-introduced, this should be noted in future drafts. Further consideration should be given to which entity is best suited to operate mobile health units, and what funding is required to make them successful. HB 2337 builds on the 2013 law to standardize Race, Ethnicity, Language, and Disability (REALD) data collection.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

N/A

## VOTES

N/A

## School Based Health Center Expansion *(No Position)* [HB 2591](#)

*Passed*

### SUMMARY

HB 2591 expands planning grants to ten additional school districts or education service districts to develop community-specific plans for School-Based Health Centers (SBHCs). The bill appropriates \$2.5 million to the Oregon Health Authority (OHA) for grants. Under the bill, OHA is required to contract with a nonprofit organization with experience in facilitating school health planning initiatives and supporting school-based health centers to facilitate and oversee the planning process and to provide technical assistance to grantees. Grantees are required to solicit specified community participation in the planning process. The bill requires OHA to provide two different kinds of grants (three of each grant), including “mobile school-linked health centers”; and school-based health centers to operate pilot projects to expand student access to mental and physical

health care services, and to improve the health and education outcomes of students through the use of telehealth. The interaction between local public health departments and school-based health centers vary from county to county, though many have integral partnerships in providing services to their communities.

### **AOC ENGAGEMENT**

AOC monitored HB 2591.

### **MESSAGING**

SBHCs provide comprehensive physical, mental, and preventive health services to youth and adolescents either within a school or on school property. SBHCs have existed in Oregon since 1986 through unique public-private partnerships between the Oregon Public Health Division, school districts, county public health departments, public and private practitioners, tribes, parents, students, and community members. With easy access to health care in a school setting, SBHCs reduce barriers such as cost, transportation, and concerns surrounding confidentiality that often keep children and youth from seeking the health services they need. SBHCs provide a full range of physical, mental, and preventative health services to all students, regardless of their ability to pay.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

House Vote: 54-4-0-1

Senate Vote: 25-4-1

## **Healthy Homes** *(No Position)* [HB 2842](#)

*Passed*

### **SUMMARY**

HB 2842 allocates \$20 million dollars to establish the Healthy Homes Program within the Oregon Health Authority (OHA), to provide grants to repair and rehabilitate residences for low-income households and landlords with low-income tenants. Grants are to be disbursed by entities that serve certain communities or geographic areas with a focus on environmental efficiency, and that have the capacity to administer grant funds. The bill establishes an interagency task force on Healthy Homes, which will be made up of eligible entities for grant funding, and members from OHA, Oregon Housing and Community Services Department (OHCS), Department of Environmental Quality (DEQ), Oregon Department of Energy (ODOE), and Oregon Department of Human Services (ODHS).

### **AOC ENGAGEMENT**

AOC monitored HB 2842.

## **MESSAGING**

Fifty-four percent of Oregonians live in housing built before 1978. Housing that has not been retrofitted for energy efficiency is expensive to heat or outfit with proper filtration, and, according to the Oregon Health Authority, has been correlated with poor health outcomes for residents, including asthma and other respiratory issues. Counties, who act as residential landlords, will be eligible for grants to facilitate retrofits and repairs for units needing additional environmental efficiency. Interagency coordination around housing facilitates better outcomes for community members needing wrap-around services and additional support.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

Counties that are eligible for grants may benefit from the funds allocated in HB 2842.

## **EFFECTIVE DATE**

91 days following adjournment.

## **VOTES**

House Vote: 56-2-1

Senate Vote: 23-4-3

# **Extension of the Public Health Modernization Deadline (+) [HB 2965](#)**

*Passed*

## **SUMMARY**

HB 2965 extends the deadline for completion of the statewide program to implement public health modernization from December 2023 to December 2025.

In 2015, when the original bill to implement public health modernization passed, the work was set to be complete by December of 2023. In 2016, a cost assessment of the program was completed, which determined that \$210 million was needed each biennium to achieve the four-phased approach, and to maintain a modernized public health system moving forward. These financial goals were not set in statute, so there has been little accountability to the goal.

## **AOC ENGAGEMENT**

AOC worked closely with the Coalition of Local Health Officials and individual counties from the inception of the bill to ensure understanding among legislators, crafting talking points, and support passage of the bill.

## **MESSAGING**

HB 2965 allows more time for the state to reach the \$210 million biennial funding goal, and for local public health authorities to implement the model through a phased-in approach. This does not change the investment requests, or goal for public health modernization, it simply extends the timeframe for reaching a more modernized public health system.

## **FISCAL IMPACT**

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Vote: 46-12-2

Senate Vote: 20-2-8

## Cover All People *(No Position)* [HB 3352](#)

*Passed*

## SUMMARY

Beginning July 1, 2022, “Cover All People” will allow state-funded Medicaid eligibility for all Oregonians, regardless of immigration status. The program is not contingent on federal approval for matching funds, though the Oregon Health Authority (OHA) is directed to seek federal support to match the \$100 million state General Fund investment. The bill allows the OHA to restrict eligibility requirements in order to stay within the limits of funding available.

## AOC ENGAGEMENT

AOC monitored HB 3352.

## MESSAGING

In 2017, SB 558 was passed allowing all kids 0-18 residing in Oregon, regardless of immigration status, to qualify for the Oregon Health Plan. The program is now being expanded to adults. It is estimated that there is an eligible population of about 55,000 people eligible for the new program, Cover All People.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Vote: 37-21-1

Senate Vote: 17-11-2

# Natural Resources

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## NATURAL RESOURCE BUDGETS

### Oregon Department of Agriculture Budget (+) [SB 5502](#)

*Passed*

#### SUMMARY

SB 5502 appropriates moneys from General Fund to Oregon Department of Agriculture (ODA) for certain biennial expenses. ODA is supported with General Fund, Measure 76 Lottery Funds, Other Funds, and Federal Funds.

Measure 76 Lottery Funds support efforts to protect and improve water quality, secure and restore habitats for native fish and wildlife, and maintain diverse plants, animals, and ecosystems. The United States Department of Agriculture (USDA) and other federal agencies also provide funding for the agency budget.

Several fee increases are included in the budget for the 2021-23 biennium. SB 5502 ratifies fees that were increased administratively including to fees that are charged by ODA for services conducted on behalf of the USDA. These fees are set by the USDA, which then requires ODA to administratively adjust their fees to align with the USDA rate. Additionally, SB 5502 includes the new fee established for Animal Rescue Entity license, as part of that program created in SB 883 (2019).

#### Budget items funded that AOC advocated for include:

- Continue Klamath Water Quality Improvement Work Policy Option Package 360 (\$75,000 General Fund)
- State Meat Inspection (Policy Option Package 084 (\$926,195 General Fund))
- Japanese Beetle Eradication Funding (Policy Option Package 310, (\$1,924,461 Lottery Fund))
- State Hemp Program Support (Policy Option Package 087 (\$1,113,326 Other Funds) and Policy Package 395 (\$1,010,300 General Fund))
- Food Safety Program (restoration of positions; Policy Option Package 450 (\$1.4 million Federal Funds))

#### AOC ENGAGEMENT

AOC testified in favor of numerous policy option packages that are important to AOC members and their constituents.

#### MESSAGING

Agriculture is the state's second largest traded sector, and ODA's services and programs are critical to that success. Oregon's farmers, ranchers and processors compete in a global market and the department's programs are needed to maintain a competitive advantage. The department has a unique dual mission, balancing regulation, and promotion of the industry. ODA's regulatory programs protect both consumers and natural resources and are vital to Oregon's economy.

#### FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

Senate Vote: 22-5-3

House Vote: 50-4-5

## Higher Education Coordinating Commission Budget (+) [SB 5528](#)

*Passed*

### SUMMARY

HB 5528 Appropriates moneys from General Fund to Higher Education Coordinating Commission for certain biennial expenses, including Oregon State University.

Budget items funded that AOC advocated for include:

- \$156,035,459 General Fund and \$49,418,728 Lottery Fund resources for the Oregon State University (OSU) statewide public service programs, specifically:
  - \$84,646,077 for the Agricultural Experiment Station,
  - \$59,293,902 for the OSU Extension Service; and
  - \$12,095,480 for the Forest Research Laboratory.

### AOC ENGAGEMENT

AOC is a member of a diverse coalition that agree in the importance of the OSU statewide public service programs – the Agricultural Experiment Station, Extension Service, and Forest Research Laboratory – to the State of Oregon. Known as “The OSU Statewides,” these programs provide state-of-the-art research and solutions generated by scientists and extension agents to real-world problems.

### MESSAGING

The Agricultural Experiment Stations across the state recognize that research is essential to the continuity of the state’s food production lines Scientists and foresters with the Forest Research Laboratory continue research in areas like forest management and fire resilience in newly adapted formats as the risk of wildfire continues to increase.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

## VOTES

Senate Vote: 24-5-1

House Vote: 46-9-4

## Oregon Water Resources Department Budget (+) [SB 5545](#)

*Passed*

### SUMMARY

HB 5545 appropriates moneys from General Fund to the Oregon Water Resources Department (WRD) for certain biennial expenses. WRD operations are funded, generally, from a combination of General Fund and fees for water right and storage transactions, licensing, and permits. Federal Funds revenues are specific to cooperative studies and monitoring, in addition to providing some position support. Lottery Funds from the Administrative Services Economic Development Fund are used to pay debt service on outstanding lottery bonds.

Budget items funded that AOC advocated for include:

- Protecting Public Safety and Water Supplies Policy Option Package 101 (\$169,825 General Fund)
- Timely Water Management and Distribution Policy Option Package 109 (\$1,378,576 General Fund and Other Funds)
- Complex Water Issues: Deschutes and other basins; Harney County Reserve Enhancement Program Policy Option Package 111 (\$422,190 General Fund) and 112 (\$706,607 General Fund)
- Willamette Basin Reallocation Pre-Implementation Policy Option Package 113 (\$321,040 General Fund)
- Foundational Data for Groundwater Studies Policy Option Package 110 (\$2,001,470 General Fund)

### AOC ENGAGEMENT

AOC testified in favor of numerous policy option packages that are important to our members and their constituents.

### MESSAGING

Water is essential to Oregon's communities and economy. Our state agency responsible for managing Oregon's water quantity must be adequately funded to provide the core services necessary to effectively manage this vital resource.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

## VOTES

Senate Vote: 22-7-1

House Vote: 43-12-4

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# PUBLIC LANDS

## Distribution of Federal Forest Reserve Moneys - Secure Rural Schools (+) [HB 2174](#)

*Passed*

### SUMMARY

HB 2174 requires Oregon Department of Administrative Services (DAS), upon request of county governing body, to credit forest reserve moneys that would otherwise be credited to county road fund to certain public bodies whose service areas include entire county. The moneys credited to a public body under this legislation shall be used in the same manner and subject to the same restrictions as would have applied to the moneys in the hands of the county and county may request that the department discontinue crediting the moneys to the public body at any time.

### AOC ENGAGEMENT

AOC partnered with Representative Owens (R-Crane) on HB 2174 to create an option for counties to increase their Payment in Lieu of Taxes (PILT) payment by electing another eligible local government to receive their designated credit forest reserve moneys that would otherwise be credited to the county road fund.

### MESSAGING

HB 2174 allows flexibility for county governments to increase federal dollars that flow into rural communities by allowing a county government to elect to divert the 75 percent of their Secure Rural Schools (SRS) payment that is statutorily reserved for the county road fund to a separate public body potentially (specifically designated in the legislation). The movement of these funds could potentially bring an estimated additional \$22 million federal dollars into Oregon's counties.

### FISCAL IMPACT

There is a minimal fiscal impact to counties. Cost to set up the special district and any contracts, memorandums of agreements, etc. may be absorbed by the created special district or through utilization of county counsel.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

January 1, 2022

### VOTES

House Vote: 55-1-4

Senate Vote: 23-7

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# RENEWABLE ENERGY

## Annual Fees for Hydroelectric Projects (-) [HB 2143](#)

*Passed*

### SUMMARY

HB 2143 increases the annual fees on hydroelectric projects. The bill also requires that a fee review panel convene at least every eight years to adjust the fee based on programmatic need of the supported agencies and as impacted agencies' hydroelectric project portfolios change. The measure provides a two-year exemption for the fee increase on certain qualifying larger projects. The Water Resource Department (WRD) estimates the fee increase will result in an additional \$759,344 Other Funds in the 2021-23 biennium. The fee revenue is collected by WRD, retaining roughly nine percent of the revenue, the remaining funds are transferred: 25 percent to the Oregon Department of Fish and Wildlife (ODFW), and 66 percent to the Department of Environmental Quality (DEQ).

### AOC ENGAGEMENT

AOC participated in WRD's pre-session stakeholder meetings, along with other stakeholder groups, that discussed the language in HB 2143. Many groups voiced their concerns during these meetings; however, the final proposal did not incorporate or resolve all stakeholder concerns. While AOC does not oppose a needed fee increase to ensure agencies can provide adequate services to our constituents, AOC expressed a desire to balance that increase with stakeholder concerns.

### MESSAGING

AOC had concerns about the impacts of the proposed fee increase and how the fees would be allocated and used by agencies. The fee equalization proposal needed further discussion with impacted stakeholders, and AOC opposed HB 2143 moving forward this Session.

### FISCAL IMPACT

This measure increases the annual fees on large projects (123.5 Total Horsepower (THP)) that are being relicensed starting at a base rate of \$0.687/THP. The bill also requires that a fee review panel to convene at least every eight years to adjust the fee based on programmatic need and as the agencies hydroelectric project portfolio changes. The measure phases in the fee increase on larger projects, allowing these projects to pay \$0.48/THP through 2023 or upon relicensing. WRD estimates the fee increase will result in an additional \$759,344 Other Funds in the 2021-23 biennium. The fee revenue is split between WRD (nine percent), ODFW (25 percent), and DEQ (66 percent). WRD will transfer funds to ODFW and DEQ. These funds are assumed in the governor's budget and became a part of the agency's budgets when approved by the Legislature.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

91 days following adjournment.

### VOTES

House Vote: 41-16-2

Senate Vote: 17-12-1

# Creation of Rules for Exceptions to Statewide Land Use Planning Goals (+) [HB 2520](#)

*Died in Joint Committee on Ways and Means*

## **SUMMARY**

HB 2520 required the Land Conservation and Development Commission (LCDC) to adopt rules no later than July 1, 2022, by which a county may justify an exception to statewide land use planning goals for development of renewable energy facilities. The bill appropriates moneys to the commission to adopt rules.

## **AOC ENGAGEMENT**

AOC worked with the sponsors of this legislation to preserve a county's authority to determine whether they would ultimately justify allowing a renewable energy facility where it would not otherwise be allowed under existing zoning. Ultimately, AOC was able to be supportive of the language and the flexibility it would have allowed counties to meet their individual renewable energy goals.

## **MESSAGING**

The purpose of the rulemaking under HB 2520 would be to clarify when a renewable energy facility, subject to county jurisdiction, maybe justified while ensuring the continued protection of natural resources and other important values. Under Oregon law, someone requesting a reasons exception must demonstrate why a use not allowed under applicable goals may be located on resource land. In addition to other criteria, a reasons exception must show the proposed use is compatible with natural resources and resource management or production practices on or near the subject property. A goal exception process requires a rigorous review by a local government, which can impose other criteria and conditions in addition to department rules. HB 2520 as amended would not have changed these aspects or any other of the state's longstanding exception policy in statewide planning Goal 2. Additionally, it did not change the status of renewable energy generation as a land use or the current siting criteria for commercial renewable energy facilities set forth in statute and rule. Rather, HB 2520 was solely intended to direct the commission to consider and clarify, after balancing the importance of renewable energy and other resources such as productive agricultural lands, habitat, or tribal resources, what reasons would be sufficient to justify an exception for a renewable energy facility not otherwise allowed by existing zoning.

## **FISCAL IMPACT**

There was minimal fiscal impact to counties.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

# Oregon Renewable Options Program (+) [HB 3221](#)

*Died in the Joint Committee on Ways and Means*

## **SUMMARY**

HB 3221 grants the Public Utility Commission the authority to authorize Oregon Renewable Options Programs offered by qualified utilities.

## **AOC ENGAGEMENT**

AOC supported HB 3221 as it would have created a new, voluntary way for local and tribal governments, and local service districts to make decisions regarding the energy sources that power and provide resilience for the residents and businesses in their communities. Oregon's communities are diverse; if enacted, this flexible program would have enabled communities to achieve clean energy goals while keeping electricity rates affordable and sustaining energy-related jobs, investing in equitable economic development, promoting community resilience, and supporting a healthy environment.

## **MESSAGING**

Many of Oregon's counties have passed resolutions championing increased renewable energy generation to minimize climate change impacts. Right now, these communities have limited options to realize their renewable energy goals. HB 3221 would have given Oregon's local governments a pathway to work with their existing utility to support their community's energy priorities. Oregon's 36 county governments face complex tasks and varying demands of growing communities, differing economic drivers, diverse populations and regional needs and goals and HB 3221 created a flexible, voluntary program to enable an interested county to set up a renewable energy mix that best serves their unique local needs.

There are many barriers to the development of local, small-scale renewable energy projects, including low available power rates for electricity sold on the wholesale markets and high costs of interconnecting to the utility grid. HB 3221 created a green tariff program for Oregon's counties to achieve their clean energy goals and give local renewable energy developers a path to making clean energy projects viable. Local projects could deliver many important benefits to the communities in our state: jobs, environmental improvements, energy resilience through backup power and more.

HB 3221 provided many essential benefits to the residents and businesses in Oregon's counties, including affordable electricity rates, local energy and economic development, and increased resilience of the electricity service to extreme events, all while retaining our existing relationships with Oregon's investor-owned utilities.

## **FISCAL IMPACT**

This measure would have had a fiscal impact on the Public Utility Commission.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

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# TIMBER

## Extends privilege taxes on merchantable forest products harvested on forestlands *(Neutral)* [HB 2070](#)

*Died in House Committee on Revenue*

### SUMMARY

The original language of HB 2070 extended and prepared to update privilege taxes on forest products harvested on forestlands in Oregon for calendar years 2022 and 2023. For calendar years 2020 and 2021, the privilege tax was set at 90 cents per Thousand Board Feet (MBF) for the privilege of harvesting of all merchantable forest products on forestlands. Tax revenues are allocated to administer the Oregon Forest Practices Act to pay for fire suppression, and to Oregon State University to invest in professional forestry education, forest research, and experimentation programs and Forest Research Laboratory.

Prior adjournment, HB 2070 was heavily amended, and the final -8 amendment modified taxes applied to volume of harvested timber, increased permanent tax dedicated to fire suppression, and replaced the rate cap with a permanent tax rate dedicated to funding programs of the Oregon Forest Resources Institute (OFRI). Additionally, it created a single rate, effective for calendar years 2022 and 2023, allocated to the Administration of the Forest Practices Act, Oregon State University (OSU) Research, and OSU Forestry Education respectively. Under the bill OFRI funding regarding advertising is restricted. The bill also increases permanent tax dedicated to fire suppression.

### AOC ENGAGEMENT

AOC remained neutral on the language of HB 2070 and engaged in discussions on the importance of OFRI in providing valuable educational resources to our communities.

### MESSAGING

The rates of the harvest tax need to be reset biennially. AOC did not engage in discussions outside of the need for the rate reset and the importance of the education information provided by OFRI.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

N/A

### VOTES

N/A

## **Severance Tax on Harvest of Timber** (-) [HB 2379](#) (Additional bills relating to severance and harvest tax include: [HB 2357](#), [HB 2389](#), and [HB 2598](#)) *Died in House Committee on Revenue*

### **SUMMARY**

HB 2379 imposed a severance on timber at the time it is harvested and then distributes the tax revenue to various entities, including counties and rural protection; however, it limits the distribution to counties to only 30 percent and 7.5 percent to rural fire protection districts. The remaining 62.5 percent of the severance tax imposed on timber harvest from our rural communities is directed to the State Forestry Department Account, the Forest Research Experiment account, the Watershed Conservation Grant Fund, and an Emergency Wildfire Fund established under the measure.

### **AOC ENGAGEMENT**

AOC opposed the legislation with written testimony highlighting that any reinstatement of the timber severance tax in Oregon must be thoughtfully done with counties, local governments, and industry at the table to develop the tax in a way that helps, not hurts, their communities.

### **MESSAGING**

Historically, Oregon's timber severance tax was directed 100 percent to counties and local taxing districts where the timber was harvested. The severance tax was conceived as a form of a property tax, initiated as a tax in lieu of an ad valorem tax on standing timber, and was distributed only to local governments during the time it was in effect. Property taxes are reserved for funding local governments and any reinstatement of a severance tax should be restricted to funding the same local governments that would have received ad valorem property taxes from the area in which the harvest took place. Additionally, any severance tax being considered by this body should reflect that western Oregon timber and eastern Oregon timber are different.

While counties and local governments rely on every property tax dollar to provide vital services as efficiently as possible to the citizens of Oregon and acknowledge the value in preparing for future wildfire events, AOC members recognize the need to balance revenue sources with supporting and creating a sustainable tax system that creates thriving local economies. Oregon's rural economies have been hit hard over the past year with hospitality and tourism industries being shut-down due to public health and safety measures related to COVID-19. As a result, the last thing our local governments need is for the State Legislature to pass any new taxes on an industry that can continue to operate and provide much needed family wage jobs with benefits to their residents during these difficult economic times. Specifically, Oregon's timber industry is already preparing for and adjusting to new costs and regulations, including Oregon's new gross receipts tax, new regulations that may come out if the discussions surrounding the timber Memorandum of Understanding (MOU) and the pending set aside of approximately 50 percent of western Oregon forestlands to riparian conservation areas and habitat conservation areas resulting from Oregon Department of Forestry's work on a habitat conservation plan.

### **FISCAL IMPACT**

Fiscal impact to state agencies.

### **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

## Tax Credits for Reforestation (+) [HB 2632](#) and [HB 2782](#)

*Died in House Committee on Revenue*

### SUMMARY

Both HB 2632 and HB 2782 reinstated the tax credit for reforestation of lands after December 31, 2021, and before December 31, 2027.

### AOC ENGAGEMENT

AOC supports incentivizing reforestation of lands, specifically after the devastating wildfire events of 2020.

### MESSAGING

It is important to provide incentives to landowners to reforest their lands, considering the costs associated with extreme wildfire events.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

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# WATER

## Regional Implementation of Traditionally Maintained Channel Program (+) [HB 2032](#)

*Passed*

### SUMMARY

HB 2032 allows the Department of State Lands (DSL), Oregon Department of Fish and Wildlife (ODFW) and Oregon Department of Agriculture (ODA) to implement their responsibilities in HB 2437 (2019) in a phased manner, minimizing potential environmental risk and allowing for adaptive management. HB 2437 tasked ODA, DSL, and ODFW to create a workable process for persons to maintain traditionally maintained channels while protecting ecological and life history functions of fish and wildlife that inhabit the channels. HB 2437 has been codified in ORS 196.906 to 196.919.

## **AOC ENGAGEMENT**

HB 2437 was a compromise between environmental, farming, and ranching groups to maintain drainage channels. AOC advocated for HB 2032 as an important tool to implement HB 2437 throughout the state and provide additional regional rulemaking opportunities allowing stakeholders to provide valuable input into what happens in their region.

## **MESSAGING**

A phased approach allows for local input into creating a process that meets the goals of HB 2437 while still allowing for flexibility within the program to accommodate for the diverse needs of our varying regions and landscapes.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

May 17, 2021

## **VOTES**

House Vote: 47-0-12-1

Senate Vote: 24-2-4

## **Regional Water Planning (+) [HB 2251](#)**

*Died in the Joint Committee on Ways and Means*

## **SUMMARY**

HB 2251 directs the Water Resources Department to provide staff support to work through complex water basin issues and help implement agency priorities in priority water basins. The bill directs the Office of the Governor to work with Regional Solutions Program to convene and support a bi-state task force to develop mitigation commitments related to implementation of certain agreements. The bill directs the chair of Water Resources Commission and two designees of Speaker of House of Representatives to co-convene a Regional Water Planning and Management Task Force to develop framework for state-supported water planning and management. Under the bill, the Water Resources Department is directed to award grants to federally recognized American Indian tribes and county governments for purposes related to community water forums. The bill requires the Association of Oregon Counties to provide related staff support. Appropriations are made to governor and agencies for purposes related to implementation of the Act.

## **AOC ENGAGEMENT**

AOC supported HB 2251 as an important step forward in integrating counties into the water planning discussions. Representative Mark Owens, who introduced the bill, remained committed to continuing to refine the language of this important legislation in the House Committee on Rules after the crossover deadline. AOC staff continued to work closely with him to address any concerns regarding language.

## **MESSAGING**

County commissioners, judges, and chairs play an important role in convening and leading their communities in discussions surrounding complex water interests and all the needs of their constituents. Additionally, county commissioners, judges, and chairs are uniquely positioned to understand the necessity of discussing water needs and resilience related to emergency management.

## **FISCAL IMPACT**

HB 2251 A-Engrossed appropriated a total of \$2,450,000 General Fund.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

## **Harmful Algal Blooms (+) [HB 3093](#), [HB 3102](#) (-) [HB 2821](#))**

*Died in the Joint Committee on Ways and Means*

## **SUMMARY**

HB 3093 directs the Oregon Health Authority (OHA), in coordination with Department of Environmental Quality (DEQ), to develop and implement a strategy for monitoring and responding to freshwater harmful algal blooms. The bill directs OHA, in consultation with DEQ, to establish a technical advisory committee. The bill appropriates moneys from General Fund to OHA for creation of a harmful algal blooms coordinator position within OHA. The bill appropriates moneys from General Fund to the DEQ for creation of new position within the DEQ.

HB 3102 directs DEQ to purchase cyanotoxin autoanalyzer system instrument, nutrient analyzer system instrument, and associated supplies and services. DEQ is directed to create, fill, and utilize two seasonal positions to assist with cyanotoxin analysis. The bill appropriates moneys from General Fund to DEQ to purchase equipment and support increased staffing level.

## **AOC ENGAGEMENT**

AOC supported HB 3093 and HB 3102 as legislation that was developed through the harmful algal blooms workgroup that included participation by AOC and League of Oregon Cities.

## **MESSAGING**

Given the increasing prevalence of Harmful Algal Blooms (HAB), it is crucial for public agencies and local governments to have all the tools necessary to understand and address HAB events.

HB 3093 and HB 3102 are commonsense proposals, development by an interim workgroup, that will better protect public health in the long-term from HAB occurrences. HB 3093 directs DEQ to study harmful algal blooms and provide results of study in report to interim committees of Legislative Assembly no later than September 15, 2022, which will allow for a better understanding of the causes of and potential mitigations for HABs. HB 3102 directs DEQ to

purchase a cyanotoxin autoanalyzer system instrument and associated supplies and services, along with creating a seasonal position to assist with cyanotoxin analysis. An in-state, centralized location for analysis of domestic water samples is crucial to public water systems ability to protect public health.

**FISCAL IMPACT**

Fiscal impact to state agency budgets.

**REVENUE IMPACT**

N/A

**EFFECTIVE DATE**

N/A

**VOTES**

N/A

**Appropriations to Complete Place-Based Water Integrated Water Resources Strategy (+) [HB 3105](#)**

*Died in the Joint Committee on Ways and Means*

**SUMMARY**

HB 3105 appropriates moneys to Water Resources Department to assist with completion of a place-based integrated water resources strategy, to periodically update the place-based integrated water resources strategy, to inform updates to the state integrated water resources strategy, or to facilitate the implementation of place-based integrated water resources strategy.

**AOC ENGAGEMENT**

AOC continues to support local water planning, and some Oregon communities have found success as pilot projects for the place-based integrated water resources strategy.

**MESSAGING**

The place-based planning program was created to fill a critical need for communities to engage in in-depth, thoughtful planning for their water future, ensuring that a long-term plan is in place to meet community, economic, and habitat needs. Since its inception, AOC has received updates on the pilot projects, with county commissioners, judges, and chairs participating heavily in the pilot projects currently underway. AOC has been impressed by all interests in the pilot communities coming together to have difficult, but very necessary, conversations about their water future, and believe these communities will be stronger and better able to work together after the time and effort they have put into this process. There has been a significant investment of time and resources into the place-based planning effort, and AOC strongly supports providing these communities a path to complete their plans and share their lessons learned with the state.

**FISCAL IMPACT**

This measure appropriates \$200,000 General Fund to the Water Resources Department to provide grants to assist in the completion of place-based integrated water resource plans and the coordination and implementation of those plans.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

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# WILDFIRE

## Extension of Lands into Rangeland Protection Associations (+)

### SB 590

*Passed*

### SUMMARY

Oregon's farmers and ranchers frequently interact with wildfire on the landscape, and in unprotected areas, farmers are the first responders, and sometimes the only responders to wildfire in their remote communities. SB 590 allows lands designated as "croplands" to join Rangeland Protection Associations (RPAs or RFPAs), by expanding the definition of "rangeland." This policy modification adds approximately 6.5 million acres to the current acreage eligible for rangeland association development. RPAs are volunteer nonprofit groups of landowners trained and authorized by state law to respond to wildfires. RPAs have defined responsibilities, including minimum standards for training, and protection from liability when conducting fire protection operations. Most importantly, the ability to join or partner with an RPA grants those protecting croplands key financial assistance to acquire heavy equipment, radios, and personal protective equipment.

### AOC ENGAGEMENT

AOC supported SB 590 in light of the importance of training, liability coverage, and financial assistance for constituents in our communities who are responding to and fighting wildfire.

### MESSAGING

SB 590 gives rural Oregonians the tools they need to effectively fight fires as safely and efficiently as possible.

### FISCAL IMPACT

Fiscal Impact to Oregon Department of Forestry, minimal fiscal impact to counties.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

January 1, 2022

### VOTES

Senate Vote: 25-3-2

House Vote: 53-0-6

# Comprehensive Wildfire Policy Legislation (+) [SB 762](#)

*Passed*

## SUMMARY

SB 762 is the 2021 Legislative Session comprehensive wildfire policy bill. This covers a broad range of policy issue areas overviewed below.

### Building Codes

SB 762 requires the Department of Consumer and Business Services (DCBS) to adopt hazard mitigation building code standards (R327) and amend R327 to include standards for additions to existing dwellings and accessory structures and for replacement of existing exterior elements.

### Defensible Space

The bill directs the Oregon State Fire Marshal (OSFM) to create and enforce defensible space standards for all lands in the wildland-urban interface that are designated as extreme or high risk.

### Emergency Response

SB 762 requires wildfire to be included in the definition of “emergency” and for the Oregon Office of Emergency Management (OEM) to update its statewide emergency plan to prepare for wildfire.

### Health Systems

SB 762 requires the Department of Environmental Quality (DEQ) to monitor for wildfire smoke, the Oregon Health Authority (OHA) to create clean air shelters for the public, and OHA increase the availability of smoke filtration systems.

### Land Use Planning

Under the bill, the Department of Land Conservation and Development (DLCD) is directed to identify updates to statewide land use planning program, local comprehensive plans, and zoning codes needed to incorporate wildfire risk maps and minimize wildfire risk.

### Oregon Conservation Corps

Creates the Oregon Conservation Corps to engage youth and young adults in reduction of risk wildfire poses to communities and critical infrastructure, and to help create fire-adapted communities.

### Resiliency

This legislation requires the state to adopt programs to mitigate wildfire risk through forest resilience and treatment projects. SB 762 creates a new program that treats state and federal lands the same and creates restrictions on where the Oregon Department of Forestry (ODF) can engage in shared stewardship work.

### Small Woodlands Incentive

SB 762 creates an incentive program for small tract forestland owners to restore the forest health.

### Statewide Map

The bill directs ODF to create a statewide map of wildfire risk with five risk classifications.

### Utilities

SB 762 requires electric utilities to operate in compliance with a wildfire mitigation plan.

### **Wildfire Response Capacity**

This legislation requires ODF to increase their wildfire readiness and response capacity in a variety of ways listed in the legislation.

### **Wildfire Programs Director and Committee**

SB 762 creates a position within the Office of the Governor to supervise the Wildfire Programs Advisory Council, which is a 19-member committee appointed stakeholders to identify additional changes needed to land use, building codes, and defensible space provisions.

### **Wildland-Urban Interface**

Section 31 of the bill requires the State Board of Forestry to adopt by rule the definition of Wildland Urban Interface (WUI) to be used in implementation of elements of this legislation. Section 33 requires the board to consider national best practices in the establishment of the definition and the criteria by which the WUI must be identified and classified. The criteria established by the board may not exclude a category of land from inclusion in the WUI and the rule must be adopted within 100 days following the effective date of the 2021 Act.

## **AOC ENGAGEMENT**

AOC has continually engaged in the development of a comprehensive wildfire policy bill since the 2020 Legislative Session, recognizing the need for thoughtful, effective, and regionally tailored solutions to wildfire mitigation, suppression, and recovery.

The AOC Legislative Committee adopted the key policy principles listed below to guide staff's engagement with legislators and stakeholders as we worked to develop Oregon's comprehensive wildfire policy bill of 2021.

- **Rebuild and Recover Our Impacted Communities:** From Jackson County to the Santiam Canyon, thousands of Oregonians experienced devastating home-loss during the Labor Day weekend fires. We must focus our efforts and prioritize funds to assist these communities in rebuilding, recovering, and getting Oregonians back on their feet and in their homes.
- **Strengthen Mitigation and Resiliency Efforts:** While wildfire is natural on the landscape, there are effective measures the state could take to reduce wildfire danger. The State Department of Forestry, in concert with Oregon State University, should establish treatment projects designed to reduce wildfire fuels on public or private forestlands and rangelands.
- **Gather Experts to Assess Current Systems:** The Legislature should establish a land use and wildfire policy committee. The committee will be made up of a group of expert stakeholders who will address mapping, land use, and defensible space concerns, while evaluating regional differences and existing protections.
- **Modernize Rural Fire Protection:** Oregon's rural communities and landowners require an update to statutory language to have the opportunity to partner with Rangeland Protection Area (RPAs). We must allow croplands to join protection associations if that is the best option for protecting their communities from wildfire. Partnering with agencies through an RPA would ensure tools are available to conduct effective fire suppression as safely and efficiently as possible.
- **Invest in Vital Suppression Equipment**
- **Building Codes:** The Department of Consumer and Business Services (DCBS) should develop and maintain residential structure fire protection statewide interactive mapping tool that includes categories of wildfire risk for the purpose of applying appropriate

residential new construction standards that is developed through engagement with the Oregon State University College of Forestry, Oregon Department of Forestry, and other stakeholders, including but not limited to cities and counties.

- **Prepare Oregonians for Future Fire Seasons:** The State should administer a community risk reduction program with an emphasis on education to prepare communities for future wildfire seasons.

AOC will remain engaged as the various rule development takes place to implement all aspects of SB 762.

### **MESSAGING**

SB 762 offers tools and resources to support Oregon's resiliency to future catastrophic wildfires and efforts to create fire adaptive communities.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 19, 2021

### **VOTES**

Senate Vote: 22-7-1

House Vote: 49-6-4

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## **WILDLIFE MANAGEMENT**

### **Prohibition of Coyote Contests (-) [HB 2728](#)**

*Died in the Senate Committee on Energy and Environment*

### **SUMMARY**

HB 2728 prohibits a person from conducting or participating in contest, competition, tournament, or derby that has objective of taking coyotes for cash or prizes. The prohibition does not apply to raffle conducted by a nonprofit organization if the organization does not award raffle prizes based on the number, weight, or size of coyotes taken. A violation of the prohibition is punishable by maximum fine of \$2,000. A person violating this Act forfeits the remains of the coyote to State Department of Fish and Wildlife.

### **AOC ENGAGEMENT**

AOC opposed the legislation with written testimony highlighting the need to maintain a variety of options for local governments to provide necessary predator management to their constituents.

### **MESSAGING**

Predator management is critical to livestock operations across the state. Predators, such as cougars, coyotes, bears, and most recently, wolves, can have a significant impact on livestock producers, injuring and killing hundreds of sheep, cattle (particularly calves), and other livestock

every year. It is important for the state and local governments to maintain all the tools available to manage predators, considering many predators, such as coyotes, are not particularly valuable food sources for hunters. As a result, communities may require other incentives to achieve the level of predator management needed to protect their operations and ensure that populations of key predators do not reach unsustainable levels. Hunting contests are one method of incentivizing needed predator management.

While AOC understands that contests may seem unnecessary for predator management for some communities, they incentivize predator control without resorting to options that can cost the state and local governments additional money, like a bounty on overabundant predators.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

House Vote: 32-14-13-1

## **Amending Rules Related to Beaver Management (-) [HB 2844](#)**

*Died in House Committee on Agriculture and Natural Resources*

### **SUMMARY**

HB 2844 provides that for purposes of certain statutes relating to taking of predatory animals, terms “predatory animal” and “rodent” do not include beavers. The bill instructs the Oregon Fish and Wildlife Commission to adopt rules related to the taking of beavers. Under the bill, the Oregon Department of Fish and Wildlife is instructed to publish an annual report related to taking of beavers and to make the report available to the public.

### **AOC ENGAGEMENT**

AOC opposed the legislation with written testimony highlighting the cost to local governments to manage beavers and the damage they can cause to publicly owned infrastructure. Additionally, AOC staff engaged with the proponents of the bill to express concerns. AOC staff is now serving on an Oregon Department of Fish and Wildlife (ODFW) workgroup relating to management of beavers.

### **MESSAGING**

Oregon counties are responsible for the largest share of Oregon’s public road system. County roads are a critical component of Oregon’s integrated road system and counties own and maintain the largest share with over 32,000 miles under county jurisdiction (41 percent of Oregon’s public road system). While counties recognize that beavers are an important species in Oregon’s landscape and ecosystem, they are also notorious for creating challenges for our county infrastructure. Beavers can cause extensive damage; their dams block culverts and wash out critical roads. Our members rely on the ability to efficiently remove beavers to avoid the significant

damage that can result from their overabundance in certain parts of the state. Currently, in the event of a problem beaver, a county road department can quickly remove the beaver and undergo any necessary repairs. The process to remove a known beaver that is causing damage to our infrastructure comes with many costs: debris removal, repairs, clean-up, and traffic control. Those costs only increase the longer it takes to remove the beaver and begin repairs. HB 2844 does not allow for the agility needed to manage beavers when they become an issue to our critical county infrastructure.

### **FISCAL IMPACT**

HB 2844 has an indeterminate fiscal impact to local government.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

N/A

## **Predator Damage Control Districts (+) [HB 3167](#) ([HB 3075](#), [HB 3168](#))**

*Died in Senate Committee on Rules*

### **SUMMARY**

HB 3167 defines “prevent, reduce, and mitigate damage to property from predatory animals” to include both lethal and nonlethal methods of prevention, reduction, and mitigation. The bill changes requirements for petition of the formation of a predator damage control district. The bill language provides that proposed district boundaries may be noncontiguous. HB 3167 requires the county assessor to verify signatures of eligible petitioners appearing on a petition for the formation of a district.

The bill increases annual charges that landowners may choose to incur for land located in predator damage control district. Provisions for determining and charging a county’s actual administrative costs of preventing, reducing, and mitigating damage to property from predatory animals is modified under the bill to exclude indirect or pooled job costs assessed to a county for federal wildlife services, provided the county has obtained a waiver from federal directors of wildlife services.

Under the bill, a governing body of a county is authorized, with consent of a governing body of a city, to charge the city for the county’s actual administrative costs of preventing, reducing, and mitigating damage to property from predatory animals. Charges may be collected from landowners by direct billing, with a deadline for collection set by an advisory board of the district.

The bill also grants a cause of action under the district program to counties, landowners, districts, and cities involved in program.

### **AOC ENGAGEMENT**

AOC supports predator damage control districts as an important tool for Oregon’s counties to fund a needed public service for their constituents.

### **MESSAGING**

Many rural Oregonians rely on effective predator management to prevent costly depredation on their livestock or timber. Predator damage control districts provide a voluntary mechanism for agriculture and timber producers to maintain the effectiveness of current predator control services within the county without imposing a tax on the general public. These districts give producers the ability to contribute to the funding of the county’s trapping program and free up money to go to other county services—including law enforcement or infrastructure improvements.

Landowners in our rural counties need the sunset on the successful predator control district pilot program lifted for the current programs in Coos and Douglas counties to continue to help fund all work related to predator management. Work includes education, nonlethal deterrence, and removal of problem predators. It is important to note that the bills do not create a new predator control program or authorize anything new regarding predator management. In forming a predator control district, landowners are taxing themselves to fund an existing, long-standing, and well-known predator control program. This then allows counties to redirect funds historically used for predator control programs to other public services.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

House Vote: 41-17-2

# **Public Safety**

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## **POLICE REFORM**

### **Police Training and Certification (+) [HB 2162](#)**

*Passed*

### **SUMMARY**

HB 2162 requires the Oregon police academy, the Department of Public Safety Standards and Training (DPSST), to develop and implement a statewide equity training program for police officers as part of basic certification as a police officer. The bill requires police agencies with 35 or more officers to become accredited by an entity approved by DPSST for training. Bill language clarifies that police officer certification may be denied, suspended, or revoked if the officer has been discharged for cause for use of excessive force, abuse of lawful authority, or discriminatory

policing. Under this legislation, two public members are added to the Board of Public Safety Standards and Training (BPSST) and one public member is added to the Police Policy Committee (PPC) of the BPSST.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2162 is part of a meaningful and comprehensive change to police practice that will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

HB 2162 results in a minimal fiscal impact.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

September 25, 2021

### **VOTES**

House Floor: 49-0-1-9

Senate Floor: 23-5-2

## **Limits on Use of Surplus Military Equipment (+) [HB 2481](#)**

*Passed*

### **SUMMARY**

HB 2481 prohibits police agencies from receiving certain military surplus equipment from the federal government, including armored or weaponized drones, combat aircraft, grenades and grenade launchers, and firearm silencers. The bill also specifies requirements related to military surplus equipment received by police agencies from the federal government, including posting notice within 14 days of making a request, in addition to approval by the city council for city police, notice to the county commissioners for a sheriff, or approval by the agency director for state agencies.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2481 is part of a meaningful and comprehensive change to police practice that will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

HB 2481 results in a minimal fiscal impact, costs may be incurred for maintenance.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

September 25, 2021

### **VOTES**

House Floor: 39-9-12

Senate Floor: 26-3-1

## **CPR Training and EMS Referrals (+) [HB 2513](#)**

*Passed*

### **SUMMARY**

HB 2513 requires police officers to be trained in airway and circulatory anatomy and physiology and certified in Cardiopulmonary Resuscitation (CPR). The bill requires police officers to request Emergency Medical Services (EMS) immediately after encountering restrained person suffering respiratory or cardiac compromise in certain circumstances.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2513 requires police officers to have CPR training and immediately refer certain persons for EMS care under certain circumstances. HB 2513 is part of a meaningful and comprehensive change to police practice that will translate into increased equity, transparency, and enhanced community trust in Oregon policing, and offers life-saving protection training to those serving the public.

### **FISCAL IMPACT**

HB 2481 results in a minimal fiscal impact.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

January 1, 2022

### **VOTES**

House Floor: 58-0-2

Senate Floor: 24-4-2

## **Interactions with Persons Who Experienced Trauma (+) [HB 2575](#)**

*Passed*

### **SUMMARY**

HB 2575 directs the Oregon Department of Justice (DOJ) to establish a program for awarding grants to police agencies and local governments for training of groups and agencies that interact with persons who have experienced trauma. The bill directs DOJ to develop model training program that considers the effects of trauma and that strives to minimize further trauma. The bill also directs police agencies to adopt best practice policies for interacting with persons who have experienced trauma as developed by the Department of Public Safety Standards and Training (DPSST).

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2575 provides for training and polices regarding interactions with persons who have experienced trauma. HB 2575 is part of a meaningful and comprehensive change to police practice that will translate into increased equity, transparency, and enhanced community trust in Oregon policing, and offers specialized training to better support positive outcomes in interactions.

### **FISCAL IMPACT**

HB 2575 results in a minimal fiscal impact.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

September 25, 2021

### **VOTES**

House Floor: 48-0-1-10

Senate Floor: 26-2-2

## **Limits on Use of Teargas and Riot Munitions (+) [HB 2928](#)**

*Passed*

### **SUMMARY**

HB 2928 regulates the use of teargas, riot munitions, and sound devices by police agencies. The bill prohibits police agencies from working with, or using, other police agencies to evade these requirements or court orders.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2928 regulates the use of teargas, riot munitions, and sound devices by police agencies. HB 2928 is part of a meaningful and comprehensive change to police practice that will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

HB 2928 results in a minimal fiscal impact for costs associated with training.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 19, 2021

### **VOTES**

House Floor: 54-4-1

Senate Floor: 19-8-3

## **Duty to Report Misconduct (+) [HB 2929](#)**

*Passed*

### **SUMMARY**

HB 2929 requires a police officer to report a violation of minimum standards of conduct by another officer. The bill requires police agencies to investigate reports of misconduct. Finally, the bill directs the Department of Public Safety Standards and Training (DPSST) to create standard forms for use in filing reports.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2929 is part of a meaningful and comprehensive change to police practice – and specifically requires police officers to report certain police misconduct. This, with the other measures, will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

HB 2929 results in a minimal fiscal impact for costs associated with training.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

January 1, 2022

## VOTES

House Floor: 58-0-2  
Senate Floor: 27-2-1

## Police Discipline Arbitration Reform (+) [HB 2930](#)

*Passed*

### SUMMARY

HB 2930 prescribes the method for selecting a police discipline arbitrator. It specifies the burden of proof to show police misconduct and just cause for discipline. The bill also establishes the standard of review for an arbitrator to determine the reasonableness of discipline imposed by a police agency, and the standard under which an arbitrator may or may not set aside or reduce discipline.

The bill establishes the Commission on Statewide Law Enforcement Standards of Conduct and Discipline (CSLESCD) to adopt uniform standards of conduct for police officers and disciplinary standards by which police agencies and arbitrators must make determinations regarding discipline. HB 2930 restricts arbitrator discretion to impose discipline that is different than what was imposed by the police agency if the agency's action was made in accordance with the uniform standards adopted by CSLESCD.

AOC Legal Counsel believes this bill is an improvement to the current police discipline arbitration system but is not a fix to the underlying problem of using a police discipline arbitration system in the first place. Click [here](#) for a more complete explanation. The impact of this bill should be closely monitored for both effectiveness and consequences. AOC Legal Counsel has concerns about both.

### AOC ENGAGEMENT

This is one of the 16 police reform bills in the regular 2021 legislative session that AOC Legal Counsel was involved in negotiating.

### MESSAGING

HB 2930 reforms the entire police discipline arbitration system – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### FISCAL IMPACT

HB 2930 results in a minimal fiscal impact.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

## VOTES

House Floor: 58-0-2  
Senate Floor: 27-2-1

## **Reporting to FBI Use of Force Database (+) [HB 2932](#)**

*Passed*

### **SUMMARY**

HB 2932 directs police agencies to participate in the National Use-of-Force Data Collection operated by the Federal Bureau of Investigation (FBI). The bill directs the Oregon Criminal Justice Commission (CJC) to analyze data from National Use-of-Force Data Collection and report annually to the Legislature.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 2932 requires police agencies to participate in the FBI use of force database – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

HB 2932 results in a minimal fiscal impact related to data entry for compliance.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

January 1, 2022

### **VOTES**

House Floor: 58-0-1

Senate Floor: 20-7-3

## **Background Checks and Social Media Policies (+) [HB 2936](#)**

*Passed*

### **SUMMARY**

HB 2936 requires the Department of Public Safety Standards and Training (DPSST) to create a uniform background checklist and standardized personal history questionnaire for use in hiring police officers. The bill directs police agencies to adopt policies that set standards for speech and expression by police officers. Under the bill, employers are required to provide employment information to police agencies for the purpose of hiring police officers. Police agencies are exempt from prohibition on employer access to social media accounts.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 2936 provides for standardized background checks and social media policies – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

## **FISCAL IMPACT**

HB 2936 results in a minimal fiscal impact related to policy revision and training.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

January 1, 2022 (January 1, 2023, for standardized background checks for corrections officers)

## **VOTES**

House Floor: 54-4-2

Senate Floor: 55-3-2

## **Gender Crime Training (+) [HB 2986](#)**

*Passed*

## **SUMMARY**

HB 2986 requires Department of Public Safety Standards and Training (DPSST) to ensure that police officers are trained to investigate, identify, and report crimes motivated by prejudice based on the perceived gender of the victim.

## **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 2986 requires that police officers receive training on crimes motivated by the gender of the victim – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

## **FISCAL IMPACT**

HB 2986 results in a minimal fiscal impact related to training.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

January 1, 2022

## **VOTES**

House Floor: 58-0-2

Senate Floor: 29-0-1

## **Civil Cause of Action for Doxing (+) [HB 3047](#)**

*Passed*

### **SUMMARY**

HB 3047 permits a person to sue for damages, attorneys fees, and other relief when the person is stalked, harassed, or injured as the result of private information being released online (“doxing”) if the person releasing the information intended to cause the damage, knew or reasonably should have known that injured person did not consent to the disclosure, the damage occurred, and a reasonable person would feel stalked, harassed, or injured by the disclosure.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### **MESSAGING**

HB 3047 provides a civil cause of action for conduct commonly referred to as doxing victim – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

June 15, 2021

### **VOTES**

House Floor: 58-0-2

Senate Floor: 28-4-1

## **Unlawful Assembly Response (+) [HB 3059](#)**

*Passed*

### **SUMMARY**

HB 3059 modifies the statute authorizing police to order dispersal of unlawful assemblies and arrest participants who do not disperse by removing the requirement to go among the persons unlawfully assembled and arrest them, and instead authorizes arrest for unlawful activity constituting an offense.

### **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 3059 updates state law relating to unlawful assembly response by the police – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

June 15, 2021

## **VOTES**

House Floor: 58-0-2

Senate Floor: 27-0-3

## **Police Discipline Database (+) [HB 3145](#)**

*Passed*

## **SUMMARY**

HB 3145 requires a police agency that imposes an economic sanction discipline to report that discipline to the Department of Public Safety Standards and Training (DPSST). The bill requires DPSST to include economic discipline of police officers in a statewide online database.

## **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 3145 provides for transparency of all police discipline involving any economic sanction.

## **FISCAL IMPACT**

HB 3145 results in a minimal fiscal impact.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

January 1, 2021

## **VOTES**

House Floor: 58-0-1

Senate Floor: 26-2-1

## Revisions to Interfering with a Police Officer (+) [HB 3164](#)

*Passed*

### SUMMARY

HB 3164 modifies the crime of interfering with a police officer by removing the refusal to obey a police officer order and any other conduct for which a person is arrested or charged for another criminal offense based on the same conduct.

### AOC ENGAGEMENT

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

### MESSAGING

HB 3164 limits the scope of the crime of interfering with a police officer – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

June 11, 2021

### VOTES

House Floor: 48-10-2

Senate Floor: 17-12-1

## Regulating Release of Booking Photos (+) [HB 3273](#)

*Passed*

### SUMMARY

HB 3273 prohibits the release of a booking photo except in specified circumstances, including to the person depicted in the booking photo, to another law enforcement agency for a law enforcement purpose, to the public if there is a law enforcement purpose for the release, to the victim of the offense for which the person was arrested, upon conviction, or for certain other specified reasons. The bill also requires publish-for-pay sites to remove and destroy certain booking photos upon request within specified timeframe. HB 3273 prohibits charging a fee for removal and destruction of certain booking photos.

### AOC ENGAGEMENT

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 3273 prohibits the release of booking photos except in certain circumstances – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

## **FISCAL IMPACT**

HB 3273 results in a minimal fiscal impact related to policy and training.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

January 1, 2022

## **VOTES**

House Floor: 54-4-2

Senate Floor: 17-13

## **Crowd Management Uniforms in Larger Cities (+) [HB 3355](#)**

*Passed*

## **SUMMARY**

HB 3355 specifies identification required for uniforms of police officers, except Oregon State Police officers, working in crowd management in a city with a population over 60,000. The bill directs police officers to provide identifying information upon request from a member of the public. Under the bill, police agencies are directed to investigate and provide the identity of a police officer when a member of the public provides certain information.

## **AOC ENGAGEMENT**

This is one of the 16 police reform bills in the 2021 Legislative Session that AOC Legal Counsel was involved in crafting, negotiating, and lobbying.

## **MESSAGING**

HB 3355 regulates crowd management uniforms in larger cities – this bill along with the other police reform measures will translate into increased equity, transparency, and enhanced community trust in Oregon policing.

## **FISCAL IMPACT**

HB 3355 results in a minimal fiscal impact as this may require updates to uniforms.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

August 14, 2021

## VOTES

House Floor: 58-2

Senate Floor: 22-5-3

House Floor (Concurrence on the Senate Amendment): 40-18-2

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# PRIORITIES AND SELECTED BILLS

## Bail Reform (~) [SB 48](#)

*Passed*

### SUMMARY

SB 48 directs the presiding judge in each judicial district to enter a standing pretrial release order. It directs the release assistance officer to make reasonable efforts to contact the victim concerning a potential release when the defendant is charged with certain offenses. The bill also requires the judge to make a release decision at the arraignment or the first appearance except in specified circumstances. SB 48 directs the district attorney to make reasonable efforts to inform the victim of the time and place of appearance. The bill requires the judge to find that release on personal recognizance is unwarranted before considering conditional release, and to find that conditional release is unwarranted before considering a security release.

SB 48 also repeals minimum bail amounts and appropriates moneys to the Oregon Judicial Department (OJD) for purpose of implementing the bill.

### AOC ENGAGEMENT

AOC closely monitored this bill, and one of the AOC Public Safety Steering Committee co chairs participated on the task force that developed the bill.

### MESSAGING

SB 48 reforms the manner in which defendants are released or held in custody pre-trial to rely less upon security release (bail). Oregon has long had a security release system and not a bail bond system, so some of the inequities seen in bail bond states did not exist in Oregon. However, the Oregon security release system was in need of updating to ensure that persons are not held in custody that do not need to remain in custody pre-trial.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A.

### EFFECTIVE DATE

January 1, 2022

## VOTES

Senate Floor: 22-7-1

House Floor: 39-16-4

## Expansion of Conditional Discharge (+) [SB 218](#)

*Passed*

### SUMMARY

SB 218 expands the types of charges eligible for conditional discharge to include any misdemeanor or Class C felony, other than driving while under the influence of intoxicants if the defendant has been formally accepted into a specialty court program.

### AOC ENGAGEMENT

AOC lobbied and testified in support of this legislation. AOC Legal Counsel has spent many years and legislative sessions [expanding the reach](#) of conditional discharge. This bill may eliminate the need to continue to do so but should be watched closely to ensure the bill encompasses all it intends.

### MESSAGING

SB 218 expands cases eligible for conditional discharge to all defendants accepted into a specialty court program. Conditional discharge is a powerful tool to help incentivize persons to get help with addiction, behavioral health, and other issues that contribute to the commission of crime. As such, it is a key tool in the toolbox of options for diverting people away from further involvement with the criminal justice system, helping individuals, their families, and the community at the same time.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

January 1, 2022

### VOTES

Senate Floor: 24-3-3

House Floor: 40-8-7-5

## State Hospital Diversions to Community Care (+) [SB 295](#)

*Passed*

### SUMMARY

SB 295 alters the procedure and criteria for committing a criminal defendant to the state mental hospital to obtain fitness to proceed. Under the bill, the court is required to find that the defendant requires hospital level of care due to public safety concern or acuity of symptoms, and that appropriate community restoration services are not provided.

For misdemeanor defendants, the bill requires either a recommendation from a certified evaluator that the defendant requires a hospital level of care and a statement from community mental health program director concerning available community restoration services, or for court to make certain

findings concerning the acuity of the defendant's symptoms, public safety concerns, and whether appropriate community restoration services are provided.

The bill modifies the procedures when circumstances authorizing commitment of a defendant no longer exist. It permits the state hospital to notify the court when a hospital level of care is no longer necessary for a defendant charged with a felony. The bill requires the state hospital to notify the court when specified circumstances have changed for a defendant charged with misdemeanor.

Finally, the bill authorizes a Community Mental Health Program (CMHP) to notify the court if community restoration services become available for the committed defendant charged with a felony or misdemeanor.

### **AOC ENGAGEMENT**

AOC and many of its partners engaged in the lead up to this major reform bill as part of the SB 24 work group. The COVID-19 pandemic exacerbated the pressures on the Oregon State Hospital which gave further impetus to pass this legislation.

The net effect of diverting criminal defendants from the state hospital to community care also transfers significant liability from the state to counties and CMHPs. In an effort to address that, AOC and its partners urged the passage of legislation in the form of [SB 198](#) to have the state retain that liability through indemnification. The state was unwilling to accept that result, but the Oregon Health Authority has committed \$5 million to purchase excess insurance for counties and CMHPs. That is only a temporary fix to this issue, which needs to be watched closely and brought to the 2023 Legislative Session.

### **MESSAGING**

SB 295 will help divert more criminal defendants that are unable to aid and assist in their own defense away from the state hospital and into community-based behavioral health care.

### **FISCAL IMPACT**

The fiscal impact for SB 295 is indeterminate. See the note above regarding AOC engagement, describing the potential liability issue that needs to be addressed by the Legislature long term.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

June 23, 2021

### **VOTES**

Senate Floor: 27-1-2

House Floor: 57-0-3

Senate Floor (Concurrence with House Amendments): 29-0-1

## **Domestic Violence Supervised Probation (+) [SB 497](#)**

*Passed*

### **SUMMARY**

SB 497 expands community corrections supervision to certain misdemeanor assault or menacing convictions constituting domestic violence. The bill increases funding for community corrections by \$7 million to fund the expansion.

### **AOC ENGAGEMENT**

AOC lobbied and testified in support of this legislation.

### **MESSAGING**

SB 497 extends community corrections supervision to persons convicted of certain higher risk misdemeanor domestic violence. Historically this population has not been funded for supervision – yet the majority of our domestic violence crimes are charged as misdemeanors. Accordingly, we are missing significant opportunity to match treatment and intervention to what are often high risk and violent crimes that pose a risk to the victim, their families, and even the community. This bill takes steps toward decreasing domestic violence recidivism and works toward increasing victim safety.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

Provides \$7 million for the expanded community corrections services.

### **EFFECTIVE DATE**

January 1, 2022

### **VOTES**

Senate Floor: 26-3-1

House Floor: 57-0-1-1

## **Elimination of Probation Fees (~) [SB 620](#)**

*Passed*

### **SUMMARY**

SB 620 repeals the obligation of persons on supervision to pay supervision fees.

### **AOC ENGAGEMENT**

AOC supported the original version of this bill that provided counties with discretion whether to charge supervision fees. The bill was amended late in the Session to eliminate supervision fees, but with a backfill of \$10 million to ensure community correction services are not impaired.

[SB 817](#) made similar changes in the juvenile delinquency system.

### **MESSAGING**

SB 620 eliminated probation supervision fees.

## FISCAL IMPACT

There is no fiscal impact to counties due to the backfill allocated. However, the bill may impact the manner in which community corrections operates.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

January 1, 2022

## VOTES

Senate Floor: 23-0-4-3

House Floor: 39-18-2

Senate Floor (Concurrence with the House Amendments): 17-12-1

## Implementation of Ballot Measure 110 (+) [SB 755](#)

*Passed*

## SUMMARY

SB 755 modifies and provides for the implementation of Ballot Measure 110 (2020). The bill does the following:

- Provides that the minimum fine for a Class E Violation, the new drug possession violation, is \$45.
- Provides that municipal and justice courts have no jurisdiction over Class E Violations.
- Directs the court to dismiss a Class E Violation citation upon receiving verification that the person cited completed substance use disorder screening.
- Requires Oversight and Accountability Council (OAC) to provide grants and funding to entities to establish Behavioral Health Resource Networks (BHRNs) to provide specified services - and requires at least one BHRN in each county by January 1, 2022.
- Specifies requirements for the statewide telephone screening hotline.
- Requires police officer issuing a Class E Violation citation to provide the person cited with information concerning how the person may obtain a screening.
- Authorizes a youth cited for a Class E Violation to enter into a formal accountability agreement.

## AOC ENGAGEMENT

AOC Legal Counsel participated on the main Ballot Measure 110 implementation workgroup and all three subgroups for Ballot Measure 110: treatment, enforcement, and youth.

*Ballot Measure 110: 1.) Decriminalized most illicit drug possession and replaced that with a Class E violation as described above; and 2.) diverted the majority of marijuana tax revenues to a new system of services as described above and primarily focused on harm reduction. Oregon is the first state in our nation to take this type of action.*

## **MESSAGING**

SB 755 implements Ballot Measure 110, which decriminalized most illicit drug possession, and created a new system of illicit drug use services focused on harm reduction.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

July 19, 2021

## **VOTES**

Senate Vote: 21-8-1

House Vote: 39-15-4-1

Senate Vote (Concurrence with the House Amendment): 19-7-1-3

## **Restorative Justice Pilot Projects (~) [HB 2204](#)**

*Passed*

## **SUMMARY**

HB 2204 directs the Oregon Criminal Justice Commission (CJC) to establish a program to award grants for restorative justice programs.

## **AOC ENGAGEMENT**

HB 2204 was completely replaced (“gut-and-stuffed”) late in the Session with this proposal, originally made as part of HB 2002.

Although this particular gut-and-stuff occurred too late in the session for AOC to directly engage, AOC Legal Counsel, who also serves as vice chair and acting chair of the CJC, is excited about the possibilities of this new program.

## **MESSAGING**

HB 2204 creates a new pilot program at CJC around restorative justice.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

July 19, 2021

## **VOTES**

House Floor: 53-5-0-1

Senate Floor: 18-9-3

# Restructuring State Emergency Management (+) [HB 2927](#)

*Passed*

## SUMMARY

HB 2927 renames the Office of Emergency Management (OEM) as the Oregon Department of Emergency Management (ODEM) and establishes ODEM as an independent state agency.

ODEM is directed to carry out various functions related to emergency response and preparedness. Under the bill, the Oregon Emergency Response System (OERS) is transferred from the Oregon State Police (OSP) to ODEM.

The bill also makes the State Fire Marshal an independent state agency.

HB 2927 establishes the Emergency Preparedness Advisory Council (EPAC) to make recommendations related to catastrophic disaster and establishes the Local Government Emergency Management Advisory Council (LGEMAC) to make recommendations to ODEM regarding emergency preparedness and response functions.

## AOC ENGAGEMENT

AOC and the Oregon Emergency Management Association (OEMA) have supported the major restructuring of emergency management services for a number of years. These efforts have been spearheaded by Representative Paul Evans, chair of the [House Committee on Veterans and Emergency Management](#). The COVID-19 pandemic and wildfire disasters only highlighted the need to move forward with this major restructuring and modernization of the way emergency services are delivered in Oregon.

While emergency management currently resides in the public safety policy portfolio, it touches nearly every other portfolio, as we were all reminded by the COVID-19 pandemic (health and human services) and wildfires (natural resources). Cross-portfolio work in this arena will certainly continue.

## MESSAGING

Oregon has seen an uptick in emergent situations in the last year, including a major pandemic, catastrophic wildfires, windstorms, drought, and heat waves. These emergencies have illuminated the need for major reforms to support a strong emergency management structure and response. HB 2927 restructures emergency management in the state, allowing the body that oversees emergency response to be independent, adaptable, and address major crises expeditiously.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 19, 2021

## VOTES

House Floor: 58-0-1

Senate Floor: 23-4-3

House Floor (Concurrence with Senate Amendments): 55-0-4

# Regulation of New Impairing Cannabis Products (+) [HB 3000](#)

*Passed*

## **SUMMARY**

HB 3000 sets regulations on new impairing cannabis products, including, through regulation cannabis intoxicants; addressing illicit cannabis production; implementing the 2018 federal farm bill for hemp production; and establishing a task force to make regulatory recommendations. Each of these actions are detailed below.

### **Regulating Cannabis Intoxicants**

- Defines “adult use cannabinoid,” “adult use cannabis item,” and “artificially-derived cannabinoid.”
- Immediately prohibits sale of adult use cannabis items to minors.
- Immediately gives the Oregon Department of Agriculture (ODA) authority to consider artificially derived cannabinoids to be an adulterant.
- Gives Oregon Liquor and Cannabis Commission (OLCC) authority to regulate artificially derived cannabinoids.
- Allows OLCC to set potency and concentration limits for Tetrahydrocannabinol (THC) and other adult use cannabinoids for marijuana items and hemp items, in consultation with ODA and the Oregon Health Authority (OHA).
- Includes artificially derived cannabinoids in OLCC’s labeling rules.
- Allows OHA to require testing for other adult use cannabinoids.
- Directs ODA to establish tracking requirements for hemp commodities and products intended for human consumption, which may include associating test results to the batch that was tested.
- Allows ODA to expand the scope of “hemp handler” activities and establish other license types.

### **Addressing Illicit Cannabis Production**

- Doubles funding for the Illegal Marijuana Market Enforcement Grant Program Fund.
- Creates a Class A Misdemeanor crime of unlawful production of marijuana for growing cannabis in excess of the amount allowed by state law at a location that is not licensed or registered by ODA, OHA, or OLCC, and allows destruction of unlawfully produced cannabis as contraband.
- Directs OLCC to establish a methodology for presumptively distinguishing between hemp and marijuana. If ODA finds a hemp licensee is producing marijuana, they may order it be destroyed.
- Allows ODA to enter into interagency agreement with OLCC for OLCC staff to inspect hemp crops.
- Allows law enforcement to accompany ODA to licensed hemp operations for the purpose of providing protection to agency staff, pursuant to rules promulgated by ODA.
- Allows the governor to order the Oregon National Guard to assist ODA enforcing hemp laws.
- Requires hemp growers to report when they do not plant and when they lose a crop.
- When a crop exceeds 0.3 percent THC and must be destroyed, requires hemp growers to provide ODA with documentation of the destruction of the crop.
- Requires that ODA refuse to register a hemp grower that planted prior to applying for registration unless all plants are removed.
- Places limitations around registering a hemp grower that planted after applying for registration but before receiving the registration.
- Allows ODA to impose a civil penalty of up to \$10,000 for a crop that exceeds 10 percent THC.

### **Implementing the 2018 Farm Bill for Hemp Production**

- HB 3000 contains the authority necessary to have a state hemp plan approved by United States Department of Agriculture (USDA) under the 2018 Agricultural Improvement Act (the “Farm

Bill”). This includes authority for criminal records checks and allowing license denials based on an applicant’s criminal record.

### **Establishing a Task Force**

- Establishes a bipartisan and bicameral task force including representation from cities, counties, law enforcement, hemp growers, hemp handlers, marijuana licensees, Oregon State University’s Global Hemp Innovation Center, ODA, OHA, and OLCC. The task force will consider and make recommendations on long-term and structural concerns around cannabis regulation in Oregon.

### **AOC ENGAGEMENT**

Along with key state agency partners, AOC was heavily engaged in the development of this legislation to address growing public health and safety issues surrounding the production, processing, and sale of new impairing cannabinoids on the open market. Those challenges have been most profoundly felt in Southwest Oregon, but this is a growing national issue.

With leadership from Representative Lily Morgan, legislators recognized the significant and growing public health and safety issues surrounding the hemp industry; the impacts of the unregulated artificial conversion of non-impairing cannabinoids to impairing cannabinoids; and the sale of those new impairing products on the unregulated open market. One of the consequences of those developments has been an explosion of cannabis production in Southwest Oregon to feed that unregulated market for new impairing cannabinoids, as well as law enforcement raids on some very large illegal grows.

### **MESSAGING**

HB 3000 brings the new impairing cannabinoids under regulatory control in Oregon.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

Some counties will receive additional enforcement funding, particularly in Southwest Oregon.

### **EFFECTIVE DATE**

July 19, 2021

### **VOTES**

House Floor: 58-0-1

Senate Floor: 24-3-3

House Floor (Concurrence with Senate Amendment): 55-0-4

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# PUBLIC SAFETY STATE BUDGET BILLS

## Program Change – New Deschutes Judges (~) [HB 3011](#)

*Passed*

### SUMMARY

Among many other things, HB 3011 adds two new Circuit Court Judges for Deschutes County (the budget adjustment, including staff support, is included in the summary for HB 5006).

### AOC ENGAGEMENT

In both this session and last, AOC supported additional Circuit Court positions, including these.

### MESSAGING

HB 3011 adds to new Circuit Court Judges for Deschutes County.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

### VOTES

House Floor: 53-2-4

Senate Floor: 27-0-3

## Department of Corrections (DOC) (+) [HB 5004](#)

*Passed*

### SUMMARY

HB 5004 appropriates funds to the Department of Corrections for expenses during the 2021-23 biennium. Included in the budget is \$297 million for community corrections, which itself includes a \$32 million increase to address funding impaired in prior sessions and through other legislation.

### AOC ENGAGEMENT

Together, with AOC partners the Oregon Association of Community Corrections Directors and the Oregon State Sheriffs Association, AOC has been heavily involved in pushing for additional funding to support community corrections services.

### MESSAGING

HB 5004 fully funds and further expands funding for community corrections.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

Additional resources for community corrections (see also [SB 497](#) above).

## **EFFECTIVE DATE**

July 1, 2021

## **VOTES**

House Floor: 56-2-1

Senate Floor: 25-4-1

## **Criminal Justice Commission (+) [HB 5005](#)**

*Passed*

## **SUMMARY**

HB 5005 appropriates funds to the Criminal Justice Commission (CJC) for expenses during the 2021-23 biennium. The budget includes no budget cuts to specialty programs run by counties, including the Justice Reinvestment Initiative (JRI).

## **AOC ENGAGEMENT**

Together with many of its partners, AOC was heavily involved in supporting and promoting CJC specialty programs in the state's justice system, such as drug courts, mental health court, and justice reinvestment.

## **MESSAGING**

HB 5004 fully funds and further expands funding for community corrections.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

July 1, 2021

## **VOTES**

House Floor: 55-2-2-1

Senate Floor: 25-5

## Budget Reconciliation – Multiple Items (~) [HB 5006](#)

*Passed*

### SUMMARY

Among many other things, HB 5006 provides the following funding in areas related to public safety:

- \$10 million backfill for community corrections due to the passage of SB 620, which eliminates probation fees (see SB 620);
- \$4 million to the Criminal Justice Commission (CJC) for a new restorative justice pilot program;
- \$10 million to the CJC for a new transforming justice pilot program;
- Additional courthouse project planning funds for:
  - Crook County Courthouse - \$169,827
  - Curry County Courthouse - \$3,500,000
- Two new Circuit Court Judges for Deschutes County (per HB 3011), plus support staff.

### AOC ENGAGEMENT

AOC and its partners lobbied for the backfill of community corrections funding losses caused by the passage SB 620. AOC also worked on a variety of new programs for CJC - AOC's Legal Counsel serves as vice chair of the CJC – mostly in the context of HB 2002, but also in other contexts as well. For the courthouse and judge provisions, see the AOC engagement notes for HB 3011 and SB 5505.

### MESSAGING

HB 5006 provides necessary backfill for community corrections, funds two new pilot programs at CJC, funds for courthouse project planning in Crook and Curry counties, and funding for the two new Deschutes County judges and their support staff.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

### VOTES

House Floor: 55-0-4

Senate Floor: 24-3-3

## Oregon Judicial Department (OJD) (+) [HB 5012](#)

*Passed*

### SUMMARY

HB 5012 appropriates funds to the Oregon Judicial Department (OJD) for expenses during the 2021-23 biennium. This budget includes a number of items directly related to counties, including

\$7.4 million for county law libraries (removing prior cuts to that budget), \$8 million for technology services (see description in SB 5512).

### **AOC ENGAGEMENT**

AOC lobbied and testified in favor of the OJD budget. AOC also engaged on the law library sub-budget and the technology services sub-budget in lieu of HB 2177 (see description in SB 5512).

### **MESSAGING**

HB 5012 fully funds the Oregon Judicial Department, including a number of sub-budgets that directly impact county operations, such as county law libraries.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

House Floor: 59-0-0

Senate Floor: 23-5-2

## **Oregon State Police (OSP) (+) [HB 5028](#)**

*Passed*

### **SUMMARY**

HB 5028 appropriates funds to the Oregon State Police (OSP) for expenses during the 2021-23 biennium.

### **AOC ENGAGEMENT**

Together with its key public safety partners, AOC lobbied and testified in favor of the OSP budget, which has numerous points of intersection with county operations, including crime lab, major crime investigation, Law Enforcement Data System (LEDS, fish and game enforcement, patrol services, and many more.

### **MESSAGING**

HB 5012 fully funds the Oregon State Police and makes some targeted expansion of services in the patrol division.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

House Floor: 57-0-2

Senate Floor: 25-3-1-1

## Oregon Youth Authority (+) [HB 5039](#)

*Passed*

### SUMMARY

HB 5039 appropriates funds to the Oregon Youth Authority (OYA) for expenses during the 2021-23 biennium. This budget includes a number of items directly related to counties, including community program support, detention, and prevention and diversion.

### AOC ENGAGEMENT

Together with the Oregon Juvenile Department Directors Association (OJDDA), AOC lobbied and testified in favor of the OYA budget, which has numerous points of intersection with county operations, including community program support, detention, and prevention and diversion.

### MESSAGING

HB 5039 fully funds the Oregon Youth Authority.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

House Floor: 57-0-3

Senate Floor: 24-4-2

## Bonds – County Courthouse Projects (~) [SB 5505](#)

*Passed*

### SUMMARY

Among many other things, SB 5505 provides state general obligation bonds for a number of county courthouse projects:

- Benton County Courthouse: \$20,730,000
- Clackamas County Courthouse: \$95,400,000

- Crook County Courthouse: \$11,885,000
- Linn County Courthouse: \$16,110,000

**AOC ENGAGEMENT**

AOC works in partnership with the Oregon Judicial Department (OJD) to prioritize courthouse improvement and replacement projects for funding by the Legislature. The AOC-OJD Court Facilities Task Force is currently Chaired by Umatilla County Commissioner George Murdock.

The Task Force will need to start meeting again this fall to work on updating the priority and project lists in preparation for the 2023 Legislative Session.

The budget note from the Capital Construction Subcommittee of the Joint Committee on Ways and Means Committee attached to this bill provides as follows:

The Subcommittee approved the following Other Funds expenditure limitations for the Oregon Courthouse Capital Construction and Improvement Fund and both state and local matching funds, with the difference between the state and local match related to the cost of bondissuance that is paid as part of the state match:

<b>Courthouse Project</b>	<b>State Match</b>	<b>Local Match</b>	<b>Total</b>
Benton County	\$20,730,000	\$20,383,129	\$41,113,129
Linn County	\$16,110,000	\$15,900,000	\$32,010,000
Crook County	\$11,885,000	\$11,700,000	\$23,585,000
Clackamas	\$1	\$1	\$2

The revenue to support state matching funds is General Obligation bonds (Article XI-G) authorized in SB 5505 (2021). The timing of the issuance of the bonds will occur late in the 2021-23 biennium and therefore there is no associated General Fund debt service related to the issuance for the 2021-23 biennium.

The Subcommittee provided the following instruction to the Judicial Department about the Clackamas County Courthouse project.

**BUDGET NOTE**

The Oregon Judicial Department (OJD), in coordination with Clackamas County, is requested to submit a report to the Joint Committee on Ways and Means, prior to the Legislative Session in 2022, on the design, build, finance, operation, and maintenance Public-Private Partnership (P3) agreement(s) for the Clackamas County Courthouse, as well as the funding agreement between OJD and Clackamas County, related to constitutional and statutory requirements for state support and local matching funds for the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF). The report is to include, but not limited to:

- The legal sufficiency of the Clackamas County public-private partnership agreement(s), from the state’s perspective, pertaining to funding agreement requirements;
- Estimated total cost of ownership to construct, occupy, and maintain the Clackamas County Courthouse;
- Affirmation of county ownership of the Clackamas County Courthouse building and property;

- A final master funding agreement; and
- A long-term flow-of-funds for state and local matching deposits into, and withdrawals from, the OCCCIF.

The report may also include recommendations for statutory changes related to public-private partnership agreement(s) and the OCCCIF. The submission of this report is a prerequisite for the consideration of supplemental Other Funds expenditure limitation for the Clackamas County Courthouse project.”

## **MESSAGING**

SB 5505 provides state general obligation bonds for a number of county courthouse replacement projects.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

July 1, 2021

## **VOTES**

Senate Floor: 25-3-2

House Floor: 56-0-3

## **District Attorneys and their Deputies (+) [SB 5512](#)**

*Passed*

## **SUMMARY**

SB 5512 appropriates funds to the District Attorneys (DAs) for expenses during the 2021-23 biennium. This budget maintains current, heavily reduced service levels. It also fails to restore any of cuts from recent sessions.

## **AOC ENGAGEMENT**

AOC testified in favor of the DA budget, and again implored the State to reverse course and restore some of the recent cuts to the DA budget for political and other unacceptable reasons.

In addition to supporting this budget request, AOC again provided information to the Joint Committee on Ways and Means - this time in a [one-pager](#) and by way of oral testimony - regarding the State walking away from its financial obligations to help support the longstanding DA services partnership with counties. A set of talking points has started to develop among certain State officials as a counter argument - namely that counties agreed to keep funding DA services as part of the grand bargain struck in the early 1980s regarding the court system and defense attorney services. However, even if those talking points were accurate and not misleading, they fail to explain the subsequent recommendations from State executive and legislative officials to restore subsequent legislative cuts to the DA budget in the late 1990s and early 2000s, the cuts to the DA budget throughout the 2000s, or the recent cuts to the DA budget for political purposes. Hence, those talking points are in error, and should be soundly rejected by counties as misleading, at best.

Counties should continue to push for a restoration of recent State budget cuts to DA services. A renewed effort in that regard was made following the outstanding May revenue forecast - but was similarly ignored. This issue should be closely monitored and fully discussed by AOC membership. Counties are currently paying for 96 percent of a state function (\$306 million out of \$320 million). This “partnership” needs help.

### **MESSAGING**

SB 5512 provide current service level - severely reduced from a couple decades ago - inadequate funding for District Attorneys.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

July 1, 2021

### **VOTES**

Senate Floor: 25-4-1

House Floor: 55-4-1

# **Revenue**

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## **MARIJUANA TAX**

### **Raising Local Marijuana Tax Cap (+) [HB 2015](#) / [SB 864](#)**

*Died in House Committee on Revenue (both bills)*

### **SUMMARY**

HB 2015 and SB 864 would have allowed local governments to charge up to 10 percent local marijuana tax, up from the current statutory 3 percent cap. SB 864 was amended and specified that counties would receive 20 percent of any increase or adoption of a marijuana tax in cities.

### **AOC ENGAGEMENT**

Throughout the Session, AOC staff advocated with the co chairs of the Joint Committee on Ways and Means regarding the need for backfilling counties as a result of the passage of Measure 110. On the last day of Session, the Speaker of the House noted that cities and counties were the only entities not backfilled for Measure 110 losses and that there would be interim work to come up with a solution.

### **MESSAGING**

Counties, the primary provider of publicly funded substance use disorder and behavioral health treatment and prevention services lost 72 percent of their marijuana revenue with the passage of Ballot Measure 110, creating a larger hurdle in access to treatment. Oregon was third in the nation

for substance use disorder per capita and 47th in the nation for treatment access before Measure 110 was approved. HB 2015 and SB 864 would have permitted counties to raise local taxes on marijuana items to offset the gaps in funding created through Measure 110 and increased need in public health and public safety services.

### **FISCAL IMPACT**

There is a minimal fiscal impact created, depending on county administrative needs, if a county were to implement the tax.

### **REVENUE IMPACT**

The revenue impact is indeterminate but would have an increase dependent on local tax percentage.

### **EFFECTIVE DATE**

N/A

### **VOTES**

Senate Floor: 23-6-1 (SB 864)

## **Intrastate Delivery of Marijuana Items (+) [HB 2519](#)**

*Passed*

### **SUMMARY**

HB 2519 allows delivery of marijuana items to adjacent cities and counties provided that those localities have adopted ordinances allowing such deliveries. The bill also allows cities and counties to adopt such ordinances.

### **AOC ENGAGEMENT**

AOC staff monitored the bill's progress throughout the Session to ensure that permissibility and local control were not written out of the measure.

### **MESSAGING**

Marijuana taxes are a growing source of revenue for local governments. This bill allows for potential increased revenue due to growing sales of marijuana products. The bill also levels the playing field for retailers located near jurisdictional boundaries.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

Minimal, but likely an increase.

### **EFFECTIVE DATE**

91 days following adjournment.

### **VOTES**

House Floor: 34-14-12

Senate Floor: 16-9-5

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# PROPERTY TAX REFORM

## Children’s Service Districts (-) [SB 299](#)

*Died in House Committee on General Government*

### SUMMARY

SB 299 would have allowed the creation of children’s service districts. Such districts would have permanent taxing authority in order to provide children’s services, defined in the bill as “services that support children’s total health and well-being that are provided to children outside of school hours”. The bill allows a taxpayer in the district to assert a claim that services rendered in the district are subject to compression under Ballot Measure 5 (1990), which capped educational service funding at \$5 per \$1,000 of real market value cap.

### AOC ENGAGEMENT

AOC has long opposed this policy on the grounds that children’s service districts are unnecessary, duplicative, and costly to local taxpayers. AOC joined a coalition including the League of Oregon Cities (LOC), Special Districts Association of Oregon (SDAO), Metro, the Oregon Library Association (OLA), and numerous individual local governments in testifying against the bill.

### MESSAGING

Local governments already have the ability to refer local option levies to voters for five-year increments. This bill would sidestep local elected leaders and create a permanent tax rate that could lead to compression of other local options. Moreover, children’s services are already provided by a variety of public entities and this bill would put into question continuity of those services.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

The revenue impact is indeterminate- compression losses would vary across the state.

### EFFECTIVE DATE

N/A

### VOTES

Senate Floor: 20-10

## Optional Wildfire Property Tax Cancellation (+) [SB 464](#)

*Passed*

### SUMMARY

SB 464 allows an eligible county covered by the governor’s September 2020 wildfire emergency declaration to adopt by resolution a wildfire map, wherein, properties that were damaged, destroyed, or suffered disruption of use have their property tax liability prorated and cancelled for

the 2020-2021 tax year without application from the property owner. Notwithstanding the wildfire mapping, affected property owners outside the map boundaries may apply to receive this wildfire tax relief as well.

### **AOC ENGAGEMENT**

AOC staff testified in support of the bill at each of its public hearings. Staff also worked alongside Linn County and Marion County commissioners and legislators to drive the bill through the legislative process.

### **MESSAGING**

The September 2020 wildfires were the most devastating fires in Oregon's recorded history. The entire suite of wildfire property tax relief bills were vetted by the AOC Governance and Revenue Steering Committee in January 2021 and were supported unanimously in both that steering committee and in the AOC Legislative Committee. This permissive bill eases suffering for victims by providing an optional ceiling for property tax relief for those affected by the 2020 wildfires.

### **FISCAL IMPACT**

The fiscal impact is indeterminate. Costs depend on how many opt in, the process of mapping, and the number of applicants and/or properties.

### **REVENUE IMPACT**

The revenue impact is indeterminate. It is unclear what the overall revenue loss would be.

### **EFFECTIVE DATE**

91 days following adjournment.

### **VOTES**

House Floor: 58-0-1-1

Senate Floor: 28-1-1

## **Natural Disaster Property Tax Proration (+) [HB 2341](#)**

*Passed*

### **SUMMARY**

HB 2341 authorizes a county property tax collector to prorate taxes imposed on a property without an application from the owner if the county is covered by a governor-declared state of emergency or under the Emergency Conflagration Act. It combines the provisions for proration of property taxes for both damage and destroyed property and ties relief to real market value. The bill does not apply to specially assessed property.

### **AOC ENGAGEMENT**

AOC staff participated in a workgroup convened by Representative Pam Marsh (D-Ashland) that included the League of Oregon Cities (LOC), Department of Revenue (DOR), the Oregon Association of Assessors and Tax Collectors (AATC), and other key stakeholders. AOC staff also testified in favor of this measure during each of its public hearings.

## **MESSAGING**

The September 2020 wildfires were the most devastating fires in Oregon’s recorded history. The entire suite of wildfire property tax relief bills were vetted by the AOC Governance and Revenue Steering Committee in January 2021 and were supported unanimously in both that steering committee and in the AOC Legislative Committee. This bill eases suffering for victims by allowing a tax collector to prorate taxes automatically and makes the common-sense switch of changing proration to be based on real market value instead of assessed value. Though AOC is hesitant to support bills that lead to losses in county revenue, this bill was broadly supported by a broad coalition of commissioners and legislators.

## **FISCAL IMPACT**

Minimal.

## **REVENUE IMPACT**

The revenue impact is indeterminate but will lower collections. It is estimated for the 2020-2021 tax year that losses will run roughly \$1.2 million. Future losses will depend on the frequency and severity of fires or acts of God.

## **EFFECTIVE DATE**

91 days following adjournment.

## **VOTES**

House Floor: 55-0-5

Senate Floor: 29-1-0

# **Business Property Tax Interest Waivers (+) [HB 2247](#)**

*Passed*

## **SUMMARY**

HB 2247 allows a county to adopt an ordinance or resolution authorizing waivers of the interest charged for failure to file property taxes on time for the 2020-2021 tax year for real property used in a business if the delinquency is substantially due to the COVID-19 pandemic or the September 2020 wildfires. Any county that adopts such an ordinance or resolution is required to submit a report to the Legislative Revenue Officer outlining the financial impact on the county.

## **AOC ENGAGEMENT**

AOC staff participated in a workgroup convened by Representative Shelly Boshart-Davis (R-Albany) and testified at each of the bill’s public hearings.

## **MESSAGING**

The September 2020 wildfires were the most devastating fires in Oregon’s recorded history. The entire suite of wildfire property tax relief bills were vetted by the AOC Governance and Revenue Steering Committee in January 2021 and were supported unanimously in both that steering committee and in the AOC Legislative Committee. This permissive bill eases suffering for victims by allowing affected business owners to receive waivers for delinquent property taxes in the 2020-2021 tax year if due to the COVID-19 pandemic or September 2020 wildfires.

## **FISCAL IMPACT**

Minimal.

## REVENUE IMPACT

Indeterminate. Impact would depend on the number of waivers granted. Roughly \$33 million in delinquent interest is collected statewide annually.

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Floor: 58-0-1-1

Senate Floor: 27-1-2

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# REVENUE INVESTMENTS

## Measure 110 County Backfill (\$23 Million) (+)

*Failed*

### SUMMARY

Ballot Measure 110 created a new Drug Treatment and Recovery Services Fund within the State Treasury. Moneys in the Oregon Marijuana Fund in excess of \$11,250,000 per quarter are transferred to the fund. As a result of this cap, local governments face a 72 percent decrease in their Marijuana Fund distributions, roughly \$23 million for counties over the 2021-2023 biennium.

### AOC ENGAGEMENT

AOC staff advocated the co chairs of the Joint Committee on Ways and Means on the need for backfilling counties as a result of the passage of Measure 110. On the last day of Session, the Speaker of the House noted that cities and counties were the only entities not backfilled for Measure 110 losses and that there would be interim work to come up with a solution.

### MESSAGING

The regional Addiction Recovery Centers envisioned under Ballot Measure 110 are not operational yet. Counties are still providing public health and public safety services and rely on marijuana dollars to do so. If a spike in crime occurs due to decriminalization of certain drugs under Measure 110 and limited pathways to diversion, counties will be placed in a position of having to provide more services with fewer funds.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

N/A

### VOTES

N/A

## Department of Revenue Budget Investments (\$2.7 Million) (+) [SB 5537](#)

*Passed*

### SUMMARY

AOC actively supported three items in the Department of Revenue budget. The Nonprofit Homes for the Elderly program is a low-cost, high-impact program allowing seniors to age in their own homes. The program reimburses counties for a property tax exemption for certain nonprofit homes for the elderly. The Electronic Valuation Information System (ELVIS) modernizes the determination of real market value for industrial accounts and central assessment companies, reducing the risk of unrealized property tax revenues. Staffing for implementation of Ballot Measure 108 ensures counties can receive their shared tobacco revenues in a timely and efficient manner.

### AOC ENGAGEMENT

AOC advocated in support for the policy option packages below with the co chairs of the Joint Committee on Ways and Means:

- Continued funding for the Nonprofit Homes for the Elderly Program (\$3.4 Million)
- Electronic Information Valuation System (\$4.9 Million) (in [HB 5006](#))
- Cigarette and Tobacco Tax (Ballot Measure 108) implementation (\$1.3 Million)

### MESSAGING

The Department of Revenue is an invaluable partner for ensuring that counties receive their state-shared revenues. AOC continues to support the Department in advocating for policy option packages that ease administrative burden and provide for accurate appraisal services.

### FISCAL IMPACT

N/A

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 1, 2021

### VOTES

House Floor: 53-2-1-3

Senate Floor: 26-0-1-3

# Transportation and Community Development

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## BUDGETS

### End of Session Budget - “Christmas Tree Bill” (+) [HB 5006](#)

*Passed*

#### SUMMARY

House Bill 5006 is the end-of-session budget bill or, the “Christmas Tree Bill.” Significant appropriations in the areas of transportation and community development include:

#### Department of Land Conservation and Development (DLCD)

- Roughly \$2 million for DLCD to provide technical assistance to local governments for planning and capacity-building relating to: the assessment of housing need, increasing housing supply and choice, studies of infrastructure constraints, and support of local housing coordinators.
  - The department intends to target some of this funding to cities with populations below 10,000 people to assist with their housing challenges. \$1,306,912 General Fund on a one-time basis for DLCD to study and make legislative recommendations, in consultation with the Housing and Community Services Department, on the incorporation of a Regional Housing Needs Analysis (RHNA) into state and local planning programs.

#### Department of Consumer and Business Services (DCBS)

- General Fund appropriation of \$10,678,004 to DCBS was approved as part of the Wildfire Recovery Initiative. This funding is for a new grant program to incentivize residential and commercial fire hardening for rebuilding and repairing dwellings and other structures that were destroyed or damaged in the 2020 wildfires.

#### Oregon Business Development Department (OBDD)

- \$120 million Federal Funds from the American Rescue Plan Act (ARPA) Capital Projects Funds to the OBDD Broadband Fund for grants to increase broadband internet availability across the state.
  - Eligible uses of the grants and loans include projects for the planning and development of broadband service infrastructure, digital literacy, digital inclusion, and digital adoption.
- General Fund appropriation of \$4 million to the OBDD Business Innovation and Trade Division to provide grants to local governments to aid in the short and long-term efforts to recover from the 2020 wildfire season.
- The funding is available for a variety of activities that include, but are not limited to, human resources, land use planning, infrastructure planning, Federal Emergency Management Agency (FEMA) recovery applications, building permit application processing, financial

and administrative program support, and translation services.

- A total of \$4,238,074 General Fund was approved for the OBDD Infrastructure Division to make grants to specific local governments for financial assistance for their building and planning departments' staffing needs related to the 2020 wildfire season.
  - The individual recipients are:
    - Lane County \$755,319
    - Linn County \$275,000
    - Lincoln County \$190,000
    - Douglas County \$375,000
    - Marion County \$975,000
    - Jackson County \$710,000
    - City of Talent \$280,000
    - City of Phoenix \$677,755
- A total of \$275,722,721 American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (Other Funds) was approved for the OBDD to make grants to local governments for critical drinking water, storm water, and sanitary sewer projects.
- \$10 million of net proceeds of Lottery Bonds was approved for deposit in the OBDD Brownfields Redevelopment Fund.
- \$50 million General Fund deposited in the OBDD Special Public Works Fund provides loans and grants for publicly owned facilities that support economic and community development in Oregon. Funds are available to public entities for planning, designing, purchasing, improving, and constructing publicly owned facilities.
- \$50 million for the Business Innovation and Trade Division to provide grants to local independent movie theaters and entities in Oregon's live events industry to support their recovery from business closures due to the pandemic.
  - Approximately \$5 million is intended for distribution to small and community movie theaters.
  - Remaining funds are to be distributed to support the live events industry, including live event operators, music, cultural and community venues, and other entities supporting live events.
  - All qualifying entities are required to self-certify as to the need being directly related to the COVID-19 pandemic.
- \$25 million General Fund to support flexible grants to public and/or private entities for projects targeted at facilitating private investment in Oregon, with a focus on leading or emerging business sectors. The funding is intended to complement efforts under other OBDD programs or funds.
  - Examples of potential uses include public infrastructure such as rail, road, docks, terminal, or airport improvements; power infrastructure; natural resources/wetland mitigation; and other projects enabling investment and long-term public return and benefit. Private sector projects might involve areas such as manufacturing, emerging energy, environmental, supply chain, and feedstock development.
- \$10 million Other Funds for the Infrastructure Division to make grants for county fair capital improvements.

### **Housing and Community Services**

- \$225,953 was approved for the Department to study and make legislative recommendations on the incorporation of a Regional Housing Needs Analysis into state

and local planning programs.

- The funds will support a position (1.00 FTE) to conduct stakeholder outreach and engagement and data improvement, with the goal of developing a legislative proposal for incorporation of a regional housing needs analysis into future state and local planning processes.

### **Department of Energy**

- \$10,831,296 General Fund for the department to establish a new grant program designed to incentivize residential and commercial energy efficiency for 2020 wildfire survivors who are rebuilding and repairing dwellings and other structures that were destroyed or damaged in the 2020 wildfires.
- \$247,974 Other Funds expenditure limitation for the Department to conduct the study on small scale renewable energy projects that is outlined in HB 2021 (2021).

### **AOC ENAGEMENT**

AOC legislative affairs staff advocated for the local government supports included in HB 5006 throughout the ways and means process.

### **MESSAGING**

HB 5006 contains a number of critical funding measures that support the work of counties.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

Effective on passage.

### **VOTES**

House Floor: 54-0-4

Senate Floor: 23-3-3

## **Oregon Business Development Department Budget (+) [HB 5023](#)**

*Passed*

### **SUMMARY**

This Oregon Business Development Department budget for the 2021-23 biennium is an 8.63 percent increase from the current service level. The budget re-establishes expenditure authority for infrastructure projects that were authorized in the 2019-21 biennium but were not completed. An increased Federal Funds expenditure limitation of \$40.4 million is included in the budget for federally funded programs from the Economic Development Administration and for increased Community Development Block Grants provided under the federal Coronavirus Aid, Relief, and Economic Securities (CARES) Act.

Key investments include: the establishment of a program to provide technical assistance to underrepresented business; an increase of \$1.25 million Lottery Funds for the Rural Opportunity

Initiative; funding for trade representation to Canada; an increase of \$1 million Lottery Funds for the Small Business Development Centers; an increase of \$750,000 Lottery Funds for the Oregon Manufacturing Extension Partnership; and an investment of \$5 million General Fund in the University Innovative Research Fund.

Four staff positions provided for in the Oregon Broadband Office through Lottery Funds.

Below are key Policy Option Packages (POPs) funded in HB 5023.

**POP 87 Federal Fund Expenditure Limitation for Entrepreneurial Development Loan Fund**

This package establishes Federal Funds expenditure limitation of \$11 million for the expenditure of grant funds from the U.S. Economic Development Administration (EDA) through the Federal CARES Act. The EDA funds primarily capitalize the Entrepreneurial Development Loan Fund (EDLF) program, a program that makes loans available to small businesses and entrepreneurs working to establish a small business that have difficulty qualifying for loans from other lenders. This action extends expenditure authority into the 2021-23 biennium that had originally been established during the Second Special Session of 2020.

**POP 103: Rural Opportunity Initiative**

This POP provides \$2 million in Lottery funds. This package continues, makes ongoing, and expands funding that was provided in the past three biennia to support entrepreneurship-based economic development in rural communities. The program makes grants to rural communities to create programs that strengthen rural entrepreneurial ecosystems to support business activity in the local area. Programs are tailored to the individual needs of the communities that they serve. Funding is provided based on a competitive request for proposal process. In addition to the grant awards, the program has provided needed expertise to grant recipients through contracted professional services to supplement local capacity and skills.

**POP 111: Technical Assistance for Underrepresented Businesses**

The package includes \$9million of Lottery Funds to increase technical assistance to underrepresented businesses through a competitive grant program. The monies will be used to fund grants to culturally specific organizations to increase their technical assistance capacity. These organizations are uniquely positioned to deliver business technical assistance through staff with similar cultural, language, and lived experiences to the communities that they serve. The funding provided in the package represents a one-time investment that will allow the agency to determine the ongoing capacity and need that will inform future funding requests for the program.

**AOC ENGAGEMENT**

AOC staff joined the League of Oregon Cities with [testimony](#) in support of the broadband funding which was originally included in the Oregon Business Development Department (OBDD) budget and later appropriated with federal American Rescue Plan Act (ARPA) funds in HB 5006.

**MESSAGING**

The Oregon Business Development Department administers critical programs that help local governments and businesses grow their economies. Agency programs are especially important for developing Oregon’s traded sector, which drives economic growth and provides high wage jobs, generates demand for smaller and non-traded local business, and generates revenue for critical government services.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 1, 2021

## VOTES

House Floor: 58-0-1

Senate Floor: 23-5-2

# Department of Land Conservation and Development Budget (+)

[SB 5530](#)

*Passed*

## SUMMARY

HB 5530 is the Department of Land Conservation and Development's (DLCD) budget bill for the 2021-23 biennium. The DLCD budget includes Policy Option Packages (POPs) related to housing planning, climate adaptation and mitigation, and wildfire.

### POP 101 Housing Planning

This POP continues and makes permanent all six housing staff positions established in the prior biennium. Funding allows for continued technical assistance and support to local governments for implementation of House bills 2001 and 2003 from the 2019 Session, which aims to increase housing choice and supply for all Oregonians.

### POP 112 Climate Change Mitigation

This POP includes one limited duration planner position and provides grant funding to local governments for the continued implementation of the joint agency work to reduce greenhouse gas emissions as directed by Executive Order 20-04 through the Every Mile Counts initiative.

### POP 90 Rural Transportation Equity

This POP provides \$1 million to identify equity driven strategies that will increase resiliency in the rural transportation system. The department proposes providing direct technical and financial assistance to rural communities with transportation disadvantaged populations. This assistance would prepare and equip these communities to participate in, and better compete for funding opportunities for pedestrian, bicycle, and transit projects according to the Oregon Department of Transportation's updated equity and social criteria.

## AOC ENAGEMENT

AOC staff provided [testimony](#) in support of the funding for technical assistance and grants to local governments.

## MESSAGING

Local governments cannot bear the costs of implementing new programs and requirements without the support of the DLCD and the funding requested in the 2021-23 budget.

**FISCAL IMPACT**

N/A

**REVENUE IMPACT**

N/A

**EFFECTIVE DATE**

July 1, 2021

**VOTES**

Senate Floor: 17-10-1-2

House Floor: 35-20-1-3

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**ECONOMIC DEVELOPMENT****Excluding Taxes Imposed by School Districts from Property Tax Incentives (-) [SB 303](#)**

*Died in the Senate Committee on Finance and Revenue*

**SUMMARY**

SB 303 would have carved school districts out of property tax exemption programs adopted by local governments, including the brownfields and enterprise zone property tax incentives.

**AOC ENGAGEMENT**

AOC joined a coalition in opposition to SB 303 to coordinate testimony and opposition advocacy in advance of a scheduled public hearing, which was ultimately cancelled.

**MESSAGING**

SB 303 would have reduced the value of important, proven local economic development tools and thereby undermined a community's ability to attract and retain businesses and jobs and remediate brownfield sites.

**FISCAL IMPACT**

N/A

**REVENUE IMPACT**

N/A

**EFFECTIVE DATE**

N/A

**VOTES**

N/A

# COVID-19 Recovery and Workforce Modernization Act (+) [SB 623](#)

*Passed*

## SUMMARY

SB 623 establishes the Committee for Continuous Improvement to coordinate efforts between the State Workforce and Talent Development Board, state agencies involved in workforce development, and local workforce development boards to respond to the COVID-19 pandemic and establish an ongoing evaluation framework for the state's public workforce development system.

## AOC ENGAGEMENT

The Oregon Workforce Partnership presented to the AOC Transportation and Community Development Steering Committee to discuss SB 623 and solicit AOC support. AOC staff provided [testimony](#) for the public hearing in the Senate Committee on Education and in the House Committee on Economic Recovery and Prosperity.

## MESSAGING

While both state and federal law recognize Local Workforce Boards and assign them the duty of ensuring regionally appropriate use of resources, Oregon's current approach to this work does not maximize the potential of local public-private partnerships. The disparate impacts of COVID-19 have only further highlighted the need to ensure equitable access to aligned, effective, regionally appropriate services. SB 623 proposes an important and impactful step toward regionally appropriate recovery by affirming state and local roles; ensuring local engagement, responsiveness, and oversight; and building continuous improvement into system services and outcomes.

SB 623 combines a call to immediate, locally-driven action with the creation of a strategy that will improve our systems in the long-term. AOC supports this approach and appreciates the collaborative work of the proponents and stakeholders, and the unanimous support the bill received in the Senate.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

June 11, 2021

## VOTES

Senate Floor: 28-0-2

House Floor: 54-0-2-4

# Codifying County Contribution to Regional Solutions Program

(+) [HB 2173](#)

*Died in Joint Committee on Ways and Means*

## **SUMMARY**

In 2013, the Legislative Assembly passed House Bill 2620, which directed the governor, in coordination with the Director of the Oregon Department of Administrative Services, to develop a plan to align state economic and community development programs with regional priorities. Enacted by the Legislative Assembly in 2014, the Regional Solutions Program within the Governor's Office consists of regional solutions centers, teams, and advisory committees. The program works with state agencies, local governments, and other entities to develop and coordinate regional implementation projects and to identify regional priorities for community and economic development.

Counties fund 50 percent of the regional solutions coordinator salaries and benefits as an off-the-top deduction from the 2.5 percent of Video Lottery revenue allocation for county economic development. In recent years, AOC identified that this shared funding agreement is not memorialized in writing nor codified in statute. HB 2173 proposed codification of the agreement and makes the county contribution permissive.

## **AOC ENGAGEMENT**

AOC Legal Counsel drafted HB 2173, which was introduced by Representative Mark Owens on behalf of AOC. The AOC Legal Counsel negotiated with the Governor's Office, proposing an Intergovernmental Agreement (IGA) in lieu of HB 2173. An agreement was not reached. HB 2173 received bipartisan support in the House Committee on Economic Recovery and Prosperity but died in the Joint Committee on Ways and Means.

## **MESSAGING**

Counties strongly support the Regional Solutions Program, which has become an integral part of resolving challenges all around the State of Oregon. Codifying the shared service agreement for this essential program would offer counties certainty in their shared partnership and investment in the program.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

# Video Lottery Economic Development County Distribution Codification and True-Up/Down (+) [HB 2267](#)

*Died in Joint Committee on Ways and Means*

## SUMMARY

In 1991, the Legislature adopted [ORS 461.547](#), which reflected an agreement between counties and the state when counties gave up their authority to authorize, regulate, and tax lottery gaming. The statute dedicates 2.5 percent of net video lottery receipts to counties for economic development purposes.

Since 2011, this allocation to counties has not been distributed according to the formula the statute prescribes. The distribution is included in [SB 5533 \(2021\) Section 9](#), the lottery budget bill, which begins with the clause “Notwithstanding and in lieu of...” This clause has the practical effect of suspending the 2.5 percent allocation and the Legislative Fiscal Office instead relies on estimates from the previous biennium and then inserts a fixed dollar amount in lieu of the 2.5 percent formula.

This common practice does make accounting simpler, however, if the intent is to bypass the statutory fixed 2.5 percent allocation for ease of administration it must include an important final step, a “true-up” or “true-down” allocation.

HB 2267 would have allowed for the continued ease of administration with a fixed allocation figure but would include a “true-up” or “true-down” after the final quarter of the biennium (dispersed or withheld the first quarter of the following biennium).

## AOC ENGAGEMENT

AOC has been working with Representative John Lively, Chair of the House Committee on Economic Recovery and Prosperity, since 2017 on this important topic. Representative Lively introduced HB 2267 on behalf of AOC in the 2021 Session and passed the bill out of his committee unanimously. AOC secured support of the Oregon Economic Development Association, and provided [joint written testimony](#) in addition to verbal testimony at the public hearing.

HB 2267 was referred to the Joint Committee on Ways and Means by prior reference and died in the committee. Although the opportunity for a policy change this session had passed, AOC staff provided verbal informational testimony to flag the issue during the public hearing on SB 5533 before the Joint Committee on Ways and Means Subcommittee on Capital Construction.

## MESSAGING

Since the Legislative Fiscal Office began using a fixed allocation to distribute county economic development video lottery allocations in 2011, counties have lost approximately \$5 million. HB 2267 would allow for continued ease of administration through a fixed allocation but would ensure that the statutorily defined 2.5 percent reaches counties and this important investment in local economic development continues.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

# Public Contracting Requirements for Enterprise Zone Projects, Abatements, and Incentives (-) [HB 2324](#)

*Died in the House Committee on Economic Prosperity*

## SUMMARY

HB 2324 expands the definition of "funds of a public agency" to include a dollar amount of tax credits or tax abatements for purposes of public contracting law, thereby applying potentially costly public contracting requirements to enterprise zone projects.

## AOC ENGAGEMENT

AOC joined local government and economic development partners in opposing HB 2324 and advocated in opposition to the bill. HB 2324 died in the House Committee on Economic Recovery and Prosperity without receiving a public hearing.

## MESSAGING

AOC has long supported Enterprise zones as a tried-and-true economic development tool that allows local governments to use their own property tax revenue to spur job creation – 30 of Oregon's 36 counties are currently zone sponsors. Any dilution of enterprise zone incentives, as proposed in HB 2324, threatens the development and retention of job creating businesses in enterprise zones.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

Applying public contracting requirements to all tax abatements could reduce the use of those abatements, thereby increasing county tax revenues otherwise reduced by those abatements.

## EFFECTIVE DATE

N/A

## VOTES

N/A

# Enterprise Zone Waivers for COVID-19-Related Challenges (+)

[HB 2343](#)

*Passed*

## SUMMARY

Employers have experienced unforeseen challenges over the last year due to the COVID-19 pandemic, including supply chain disruption, decreased sales, and output reduction, which unfortunately resulted in layoffs. Companies nationwide are now reporting difficulty rebuilding their workforce because of ongoing health concerns and scheduling challenges due to lack of childcare for school-aged children.

Enterprise zone employers risk losing tax abatements due to forces beyond their control – this unplanned tax liability further threatens key traded-sector employers that anchor and support our local economies.

HB 2343 allows the local governments that sponsor enterprise zones to adopt an ordinance that temporarily waives eligibility thresholds for businesses that are unable to meet program requirements due to COVID-19 impacts.

## AOC ENGAGEMENT

AOC joined local government and economic development partners in support of HB 2343 and provided public hearing [testimony](#).

## MESSAGING

Allowing local governments to temporarily waive thresholds for employers that can demonstrate public health related hardships offers companies the ability to direct their resources to stabilization, rehiring, and supporting local economic recovery.

## FISCAL IMPACT

There is a minimal fiscal impact to counties associated with ordinance adoption, which is permissive.

## REVENUE IMPACT

If such a resolution is adopted under HB 2343, local governments may collect lower property tax revenue than they otherwise would have. However, since these Enterprise Zones already exist, and property tax exemptions already exist for these businesses, this would not necessarily constitute a reduction of property tax revenue from the status quo.

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Floor: 59-0-1

Senate Floor: 28-1-1

House Floor (Concurrence of Senate Amendments): 56-1-1-2

# Rural Capacity Fund - Grants for Oregon Economic Development Districts (+) [HB 2345](#)

*Passed*

## **SUMMARY**

House Bill 2345 establishes and allocates funding to the Oregon Rural Capacity Fund (Fund) to provide resources to Oregon's Economic Development Districts (EDDs) to assist rural jurisdictions to learn about, apply for, and manage grants and other funding opportunities to support workforce, infrastructure, economic development, and community development. The measure requires the Oregon Business Development Department (OBDD) to develop and communicate program policy and purposes, determine moneys available, consult and coordinate with EDDs on distribution, make distributions from Fund, and periodically consult with local governments.

The Fund was originally drafted with a \$918,750 general fund appropriation but was reduced to \$500,000 during the Joint Committee on Ways and Means process.

## **AOC ENAGEMENT**

AOC staff advocated for the passage of HB 2345 in conjunction with the Oregon Economic Development District directors and offered [written testimony](#) in support at the public hearing before the House Committee on Economic Recovery and Prosperity.

## **MESSAGING**

According to a recent informal survey on county grant writing programs and capacity conducted by Curry County, 19 of 22 responding counties indicated that they do not have dedicated grant writing staff and identify this lack of capacity as a significant gap in workforce and economic development efforts. Without expertise and staff resources, small and frontier counties struggle to even identify opportunities, let alone prepare applications and manage funding, if it is awarded. This means that the funds available through state and federal economic and workforce development grant programs are simply not reaching many of Oregon's communities.

Oregon's EDDs are well-situated to receive Oregon Rural Capacity funds and deliver these services because they already work with the communities, understand their needs, and know the funding sources. HB 2345 creates an opportunity to connect those economic development funds to Oregonians.

## **FISCAL IMPACT**

\$500,000 General Fund to OBDD.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

Effective upon passage, becomes operative January 1, 2022.

## **VOTES**

House Floor: 58-0-1

Senate Floor: 26-2-2

## **Expanding Insurance Claim Opportunities for Brownfields Projects (+) [HB 2377](#)**

*Passed*

### **SUMMARY**

HB 2377 was introduced at the request of the Oregon Attorney General and aims to hold the appropriate parties accountable for their share of environmental cleanup costs; and allow for access to funding to remediate contaminated sites and redevelop brownfields throughout Oregon.

Various entities who contributed to pollution and the creation of brownfields in Oregon also paid for insurance that covered environmental contamination clean up. However, due to a technicality in Oregon law, those insurance assets were inaccessible. HB 2377 closes this loophole, ending the potential of an unearned windfall to insurers and providing a process for satisfying claims against dissolved companies through insurance assets.

### **AOC ENGAGEMENT**

AOC is a longstanding member of the Oregon Brownfields Coalition and joined the Coalition in support of House Bill 2377.

### **MESSAGING**

HB 2377 supports the “polluter pays principle” by assigning financial responsibility for mitigating contamination to parties who were paid to assume that obligation by those who caused land to become contaminated.

### **FISCAL IMPACT**

\$500,000 General Fund to OBDD.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

September 25, 2021

### **VOTES**

House Floor: 55-0-4

Senate Floor: 21-1-8

## **Brownfields Remediation Fund Capitalization (+) [HB 2518](#)**

*Passed*

### **SUMMARY**

HB 2518 establishes a program the Oregon Brownfield Properties Revitalization Fund at the Oregon Business Development Department (OBDD) to provide forgivable loans to private owners or operators for the reimbursement of eligible costs incurred for the completion of removal or remedial actions at brownfields. The measure a one-time appropriation of \$5.0 million General Fund to Business Oregon for the purposes of this program.

## AOC ENAGEMENT

AOC is a longstanding member of the Oregon Brownfields Coalition and joined the coalition with [written testimony](#) in support of HB 2518.

## MESSAGING

The Oregon Brownfields Properties Revitalization Fund will support any work done to evaluate and clean up properties, including assessment, demolition, remediation, and disposal. It will offer a statewide incentive to property owners and developers that might not otherwise explore development on known brownfields. The credit could increase development feasibility of key industrial and employment sites, as well as redevelopment opportunities statewide. Similar programs elsewhere have created thousands of jobs with relatively limited public investment.

## FISCAL IMPACT

The bill makes a \$5 million General Fund investment to OBDD.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

House Floor: 59

Senate Floor: 24-4-2

## Open Trenching Notifications and Limitation on Local Siting and Location Requirements (-) [HB 2613](#)

*Died in House Committee on Economic Recovery and Prosperity*

## SUMMARY

HB 2613 would mandate open-trench notifications by local government to telecommunication providers and gives providers 30 days to indicate interest in co-locating broadband infrastructure. The bill would prohibit localities from requiring or requesting plans from providers for the construction of broadband infrastructure that is 1,000 feet or less in length.

HB 2613 did not move out of the House Committee on Economic Recovery and Prosperity this session.

## AOC ENAGEMENT

AOC staff communicated concerns to the sponsor of the bill and provided verbal testimony in opposition during the public hearing before the House Committee on Economic Recovery and Prosperity.

## MESSAGING

While AOC appreciates and understands the goal of HB 2613, the Oregon Association of County Engineers and Surveyors (OACES) public works directors identified significant concerns about the logistics of the bill. The notification and technical requirements create a significant administrative burden, additional work, will cause delays in critical public works projects, and have the potential to create public safety issues for underground utilities. In addition, this cost will be added to public

projects while current state law does not allow counties to recover administrative costs for utility permitting.

### **FISCAL IMPACT**

HB 2613 had a potential fiscal impact to counties due to the administrative burden of notification and delays in critical public works projects.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

N/A

## **Streamlining Easement Process for Broadband Infrastructure**

**(+) [HB 2654](#)**

*Passed*

### **SUMMARY**

HB 2654 permits an electric cooperative to use, or allow for use, an electric easement for broadband services. The measure requires the electric cooperative to provide 60-day written notice to the property owner if the use of the easement would result in an expansion of the uses for which the easement is granted and specifies the contents of the notice.

### **AOC ENGAGEMENT**

The Oregon Rural Electric Cooperative Association joined the AOC Transportation and Community Development Steering Committee to discuss HB 2654 and solicit AOC support. AOC identified broadband expansion as a top priority for the 2021 Legislative Session. AOC supported the measure.

### **MESSAGING**

HB 2654 helps break down one barrier to broadband infrastructure expansion without costing Oregon taxpayers a single penny. Broadband providers have faced class action lawsuits in other states because the state easement law did not contemplate the use of easements for broadband services. This threat of litigation for using these easements for anything other than electricity delivery serves as a barrier for providing broadband services. Moreover, the easement process is often cumbersome and costly, serving as a major impediment to swift broadband deployment.

HB 2654 strikes a careful balance of expanding broadband while assiduously protecting landowner rights, through proper notification and due process.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

January 1, 2022

## VOTES

House Floor: 54-0-6

Senate Floor: 24-1-5

## County Fair Funding Cap Removal and Infrastructure Study (+)

### [HB 3173](#)

*Died in Joint Committee on Ways and Means*

## SUMMARY

HB 3173 would eliminate an old funding cap put in place years ago and provide an additional investment of approximately \$165,000 per county per year. The bill also funds a much-needed capital infrastructure study so that counties can ensure fairgrounds are ready for events, and more importantly, emergency disaster response.

HB 3173, which would have approximately quadrupled county fairs funding, did not pass this Session. However, county fairs were fully funded at the current formula and received an additional \$10 million for capital improvements was included in the “Christmas Tree Bill,” [HB 5006](#).

Additionally, baseline funding was protected in [HB 5002](#) at \$3.828 million after two consecutive sessions of proposed cuts. In 2019, baseline funding was nearly eliminated. In 2020, a \$1 million cut to baseline funding was proposed.

The following counties also received direct allocation federal American Rescue Plan Act dollars from their local legislators:

- Clackamas County - Fairgrounds for Livestock Barn and RV Park - \$3.04 million (Senator Bill Kenemer)
- Clackamas County - Fairgrounds for Livestock Barn - \$1.75 million (Representative Christine Drazan)
- Hood River County- Fairgrounds - \$538,000 (Senator Chuck Thomsen)
- Harney County Fairgrounds - \$1.0 million (Representative Mark Owens)
- Malheur County Fairgrounds for Fair Barn Replacement - \$455,000 (Representative Mark Owens)

## AOC ENAGEMENT

AOC staff worked closely with the Oregon County Fairs Association and various county chairs and commissioners to coordinate testimony and advocate to the House Committee on Economic Prosperity and Recovery as well as the Joint Committee on Ways and Means in strong support for HB 3173 and additional county fair funding.

## **MESSAGING**

Through the global pandemic, wildfire relief efforts, and now vaccination efforts, county fairgrounds were transformed overnight into testing centers, makeshift hospitals, shelter for thousands of people and animals, and mass vaccination clinics.

Meanwhile, our fairs, youth education events, cultural festivals, trade shows and expositions, equestrian events, craft and hobby shows, consumer shows, non-profit fundraisers, and community social events were almost all cancelled. This left counties and their fairgrounds financially strapped and ineligible for most federal COVID-19 relief funding.

- Our fairgrounds are an economic hub in our community. Most recently in 2019: Fairgrounds hosted 6.15 million people during annual fairs and over 17,000 local events, bringing business to local hotels, restaurants, retail establishments, and service providers.
- Over 600 non-profit groups used our fairgrounds to generate more than \$10 million in charitable donations.
- 10,000 volunteers dedicated over 200,000 hours of volunteer service at their local fairgrounds.

Fairgrounds directly employed 479 workers with a payroll of over \$10 million. A recent economic study by Oregon State University estimated that fairgrounds generated an economic footprint of approximately \$52 million in output, \$28 million in value-added income, and 867 full- and part-time jobs.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

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# **ENERGY**

## **Solar Payment in Lieu of Taxes Program Extension (+) [SB 154](#)**

*Passed*

### **SUMMARY**

In 2015, HB 3492 created the “Solar Payment in Lieu of Taxes (PILoT)” program. Under the program, utility-scale solar projects (larger projects that are not net-metered and that sell energy directly to utilities) may elect to pay a fee in lieu of taxes for a 20-year period at a rate of \$7,000/megawatt. Local governments can opt-in to the program, if the project contained no other exemptions and, if fees are distributed as tax revenue. The program would have sunset in 2022 without action in the 2021 Legislative Session.

Developers have experienced declining rates for solar power since the inception of the Solar PLoT in 2015 and therefore requested a decrease in the original \$7,000/megawatt rate as part of the discussion to extend the program. Counties agreed to extend the Solar PLoT by six years and to set a flexible fee with a \$5,500/megawatt floor and \$7,000/megawatt ceiling - allowing counties to negotiate with potential developers.

In addition to extending the sunset and setting a flexible rate in statute, SB 154 stipulates that a Solar PLoT agreement must indicate how the land is treated with respect to the exemption and fee in lieu of property taxes and clarifies that the fees shall be apportioned and distributed among the taxing districts that have jurisdiction over the property.

### **AOC ENGAGEMENT**

A stakeholder work group including county commissioners, chairs, and judges, the Community Renewable Energy Association (CREA), the Oregon State Association of County Assessors (OSACA), the League of Oregon Cities (LOC), the Oregon Department of Revenue (DOR), and the Oregon Solar + Storage Industries Association (OSSIA) began meeting in late 2020 and to reach a comprehensive compromise. AOC advocated for the passage of SB 154 through the Senate Committee on Energy and Environment and the Joint Committee on Tax Expenditures before the bill moved through both chambers with bipartisan support.

### **MESSAGING**

Community-scale solar projects that are established, owned, and operated locally provide multilayer benefits to communities in the form of renewable energy, economic development, and increased county revenues. The Solar PLoT program creates levelized property tax expenses which incentivizes project financing and development. As of 2019, there were 20 Solar PLoT filers statewide - the number of projects, both in value and capacity, have been doubling annually since 2015.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

There is no direct revenue impact to counties since the program is permissive.

### **EFFECTIVE DATE**

91 days following adjournment.

### **VOTES**

Senate Floor: 23-6-1

House Floor: 50-6-3

## **Renewable Hydrogen Study (+) [SB 333](#)**

*Passed*

### **SUMMARY**

SB 333 directs the Oregon Department of Energy to conduct a study of the benefits and barriers to renewable hydrogen production and use in Oregon and report to the Legislature by September 2022. The study will include the total hydrogen volume currently used annually, the identification of

potential applications in Oregon by 2030, an assessment of potential for coupling renewable electricity and renewable hydrogen production, forecasted costs, and the identification of barriers.

### **AOC ENGAGEMENT**

The AOC Transportation and Community Development Steering Committee prioritized support for policies that encourage the development and use of alternative energy like renewable hydrogen. The AOC Legislative Committee supported SB 333 on recommendation from the Community Renewable Energy Association (CREA).

### **MESSAGING**

Offering alternative, renewable energy resources can help communities become more resilient and support energy needs into the future, while reducing greenhouse gas emissions

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

91 days following adjournment.

### **VOTES**

Senate Floor: 28-1-1

House Floor: 53-7

## **100 Percent Renewable Electricity (Community Renewable Grant Funding) (+) [HB 2021](#)**

*Passed*

### **SUMMARY**

HB 2021 is a comprehensive piece of legislation which requires retail electricity providers to reduce greenhouse gas emissions associated with electricity sold to Oregon consumers to 80 percent below baseline emissions levels by 2030, 90 percent by 2035, and 100 percent below baseline emissions levels by 2040.

AOC did not take a position on the overall bill but supported the appropriation of \$50 million to the Community Renewable Investment Program, contained in Sections 29-36.

### **AOC ENGAGEMENT**

AOC staff worked with the bill sponsors, Community Renewable Energy Association (CREA), and stakeholders to ensure that grant money under the Community Renewable Investment Program be focused on small-scale projects under 20 megawatts. This ensures that the \$50 million is available to projects serving smaller communities – those that need the capital the most – and is not consumed quickly by larger, more well-capitalized projects. Grants will be awarded by January 2023.

### **MESSAGING**

Small-scale solar projects that are established, owned, and operated locally provide multilayer benefits to communities in the form of renewable energy, economic development, and increased county revenues.

### **FISCAL IMPACT**

There is no fiscal impact, for counties, however, counties are eligible recipients of the grant.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

91 days following adjournment.

### **VOTES**

House Floor: 35-20-4

Senate Floor: 16-12-2

## **County Solar Siting Technical Fix (+) [HB 2109](#)**

*Passed*

### **SUMMARY**

HB 2329 (2019) created a new exemption from the Energy Facility Siting Council (EFSC) review for larger solar photovoltaic, geothermal, and wind energy projects on land zoned for exclusive farm use, allowing for local review of projects under those specific parameters. HB 2329 included a new statutory definition of renewable energy facilities (ORS 215.446) which inadvertently included all types of energy generation in all zones. As drafted, HB 2329 unintentionally triggered Measure 56 notice provisions by applying new review criteria on all renewable energy facilities subject to local review located in any rural land zoning category.

Measure 56 requires the Department of Land Conservation and Development (DLCD) to notify counties of any new or amended statute that "that limit(s) or prohibit(s) otherwise permissible land uses" and requires the local government to notify affected landowners. DLCD is then required to reimburse local governments for the costs of notification, which has been estimated to cost DLCD up to \$750,000 due to this unintended error in HB 2329. By tailoring the definition, HB 2109 avoids pulling in and applying HB 2329's new local permit requirements to other, unintended renewable energy facilities, and avoids significant unintended and unanticipated costs.

### **AOC ENGAGEMENT**

AOC worked with DLCD staff to ensure the language in HB 2109 was narrowly crafted to achieve the desired outcome and [advocated](#) for its passage in the Legislature.

### **MESSAGING**

HB 2109 makes a straightforward and necessary technical fix to avoid an unbudgeted outcome.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

May 21, 2021

## VOTES

House Floor: 51-4-1-3

Senate Floor: 25-5

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# LAND USE AND DEVELOPMENT

## County Authority to Site Accessory Dwelling Units in Areas Zoned Rural Residential (+) [SB 391](#)

*Passed*

### SUMMARY

SB 391 allows counties to authorize construction of an Accessory Dwelling Unit (ADU) on lots zoned rural residential that are over two acres. The ADU may not be used for vacation occupancy and may be no farther than 100 feet from the existing dwelling. The measure also requires counties establish regulations regarding setback requirements when a property is adjacent to land zoned for resource use; to address water access and use; and to work with local fire protection service providers to ensure the ADU is accessible in any wildfire mitigation efforts. Implementation requires that the state adopt statewide wildfire risk maps, which is expected by June of 2022.

SB 391 was amended in the House Committee on Housing to clarify that ADUs must be located on lots served by fire protection service providers with training that meets the minimum standards provided by the Department of Public Safety Standards and Training. This amendment required a second, "concurrence," vote in the Senate after passing the House.

### AOC ENGAGEMENT

Three versions of SB 391 were introduced in the 2021 Session, including, [SB 385](#), by Senator Linn Findley on behalf of the Association of Oregon Counties. AOC staff worked with the multiple sponsors to focus on one bill vehicle, SB 391, and to reach a final compromise with the Department of Land Conservation and Development, stakeholders, and bill sponsors. AOC staff were joined by Deschutes County Commissioner Patty Adair and Deschutes Community Development Director in providing verbal testimony in the Senate and House public hearings on SB 391.

### MESSAGING

Allowing for ADUs in rural residential zones creates a tool for counties to provide additional housing options with minimal public resources and increase the supply of rental, supportive, and multigenerational housing to alleviate at least some of the housing supply shortage across the state.

### FISCAL IMPACT

There is a minimal fiscal impact associated with the adoption of an ordinance, should a county choose to implement SB 391.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

June 23, 2021

## VOTES

Senate Floor: 28-1-1

House Floor: 57-0-3

Senate Floor (Concurrence on House Amendment): 27-3

# Nonconforming Use Timeline Extension for Rebuilding After the 2020 Wildfires (+) [SB 405](#)

*Passed*

## SUMMARY

SB 405 allows a nonconforming use to not be considered interrupted or abandoned while a federal, state, or local emergency order issued on or after January 1, 2020, temporarily limits or prohibits the use, or the restoration or replacement of the use. The bill also allows for commencement of restoration or replacement of nonconforming uses that were damaged or destroyed by the September 2020 wildfires until September 30, 2025.

## AOC ENGAGEMENT

AOC staff worked with legislators and stakeholders on the bill language, provided technical feedback from fire-impacted county planning directors, and testified in favor of the bill.

## MESSAGING

Counties impacted by the catastrophic fires of 2020 worked to expedite processes and find flexibility within existing statute in order to get people back into their homes as swiftly as possible. The counties doing this work quickly identified that the statutory requirement in ORS 215.130(5) to restore or replace a nonconforming use within one year is unworkable for many people who lost homes during the devastating wildfires. This statutory timeline forced some homeowners to make hasty and potentially problematic decisions around rebuilding. SB 405 provides relief to property owners with nonconforming uses effected by the wildfires.

## FISCAL IMPACT

Minimal fiscal impact to counties affected by the 2020 wildfires associated with administrative costs of implementation.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

May 12, 2021

## VOTES

Senate Floor: 27-1-2

House Floor: 56-0-4

# Procedural Safeguards for Retaining Third Party Building Official and Program (+) [SB 866](#)

*Passed*

## SUMMARY

SB 866 is the product of a years-long negotiation around the legality of third-party building officials. The bill allows for the continued use of third-party officials, and addresses the legal issues identified in a Department of Justice opinion by putting in adequate procedural safeguards for municipalities that use contracted building official services.

In 2019, the Oregon Attorney General issued an opinion finding that contracting out entire building departments, including building official discretionary decisions, was unconstitutional. In response, the Building Codes Division at the Department of Consumer and Business Services formed an advisory committee made up of impacted stakeholders in 2020 to identify possible pathways to resolve the legal issues. Cities and counties recommended a process to retain the third-party programs provided they met several additional administrative requirements.

SB 866 allows for the continued use of third-party officials and addresses the legal issues identified by the Department of Justice by establishing procedural safeguards for municipalities that use contracted building official services.

## AOC ENGAGEMENT

Preserving local government contracting with third party building officials was approved as a Transportation and Community Development and AOC priority for the 2021 Legislative Session. AOC participated heavily in the advisory committee and ongoing negotiations throughout 2020 and early 2021 and joined the League of Oregon Cities and other local governments in [written testimony](#) in support of SB 866.

## MESSAGING

Several small cities and counties across Oregon have been contracting with third party building officials for decades due to financial constraints, demand for building and construction, and inability for some small or remote cities to process permits and inspections through their respective counties in a timely manner. A third-party program allows local governments to adapt to the cyclical nature of building, create an efficient system, and meet the rigorous technical guidelines in place for the building and construction process in Oregon.

## FISCAL IMPACT

There is a minimal fiscal impact for the affected counties associated with administrative costs of implementation.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

Effective upon passage.

## VOTES

Senate Floor: 28-1-1

House Floor: 49-7-3

# Removing Regulatory Barriers to Rebuilding After the 2020 Wildfires (+) [HB 2289](#)

*Passed*

## SUMMARY

For structures destroyed by the catastrophic wildfires of 2020, HB 2289 authorizes a property owner to alter, restore, or replace certain nonresidential uses without further application to a local government. The bill requires a local government to approve an application to alter, restore, or replace certain dwellings. It also requires the Department of Environmental Quality to approve certain permits to repair or replace a subsurface sewage disposal system that serves an approved dwelling.

HB 2289 provides counties and other local governments tools to fast-track permitting and rebuilding paths for those who lost their homes and other structures during the devastating wildfire events of 2020. Specifically, the bill offers options for simplified and fast-tracked processes for rebuilding structures in all zones; offers local governments discretion and flexibility to ensure efficiency; and offers certainty for both individuals who experienced loss and local governments that decisions will not be appealed or delayed.

## AOC ENGAGEMENT

Beginning in late September of 2020, AOC staff participated heavily in a legislative work group facilitated the chair of the House Committee on Wildfire Recovery. AOC staff solicited a significant amount of technical input from impacted county planning directors and the Association of Oregon County Planning Directors in order to protect county priorities, minimize risk, and offer regulatory relief to wildfire victims that is fair, practical, and implementable on the ground. AOC staff testified in both the House and Senate.

## MESSAGING

While counties are doing everything they can within the existing regulatory framework and with existing resources, HB 2289 provides local governments with important, additional tools and processes to help their communities rebuild following the devastating wildfires of 2020.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

June 11, 2021

## VOTES

House Floor: 56-0-4

Senate Floor: 26-1-3

## **Residential Zone Minimum Lot Size Reduction (-) [HB 2655](#)**

*Died in House Committee on Housing*

### **SUMMARY**

HB 2655 would have prevented counties from establishing a minimum lot size over one acre in areas zone rural residential. The bill received a public hearing in the House Committee on Housing but did not move forward this session.

### **AOC ENGAGEMENT**

The Association of Oregon County Planning Directors (AOC PD) quickly flagged this as problematic from a technical and implementation standpoint and recommended that AOC consider taking a position of opposition. AOC staff contacted sponsors of the bill with these concerns.

### **MESSAGING**

Amending the minimum rural residential lot size would result in a sweeping change to Oregon's land use system. The potential for increased rural residential development and subdivisions would have significant and likely adverse impacts on forest and agriculture operations in surrounding zones and burden infrastructure systems.

### **FISCAL IMPACT**

There is a potential fiscal impact to counties associated with amending ordinances and processes to comply with the new requirements under HB 2655.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

N/A

### **VOTES**

N/A

## **Building and Planning Department Support for Wildfire Impacted Communities (+) [HB 5006](#)**

*Passed*

### **SUMMARY**

[HB 3127](#), an outline of the requests made by local communities for state assistance in wildfire recovery, passed out of the House Committee on Wildfire Recovery. AOC organized a \$28 million request on behalf of the counties impacted by the devastating 2020 wildfires for additional building and planning department staffing capacity and funding to reimburse counties for waiving building permits for wildfire victims. While HB 3127 did not pass, many of the projects were ultimately funded through [HB 5006](#), known as the "Christmas Tree Bill."

## AOC ENGAGEMENT

AOC staff worked with Lane County Commissioner Buch and staff to organize a [request of the Legislature](#) for approximately \$23 million in reimbursements for building and permit fee waivers for wildfire victims and \$4 million for additional staffing capacity.

During the Joint Committee on Ways and Means process, the Legislature narrowed the nearly \$1 billion in wildfire relief project requests originally contained in HB 3127, ultimately investing about \$600 million. As part of this effort, the Legislature chose not to fund the approximately \$24 million in statewide rebuilding permit fee waivers that was requested by counties. However, Section 194 of HB 5006, "the Christmas Tree Bill" did include the building and planning department staffing request, totaling about \$4 million.

Funding for county building and planning department staffing support will be administered through Business Oregon and allocated as follows:

- Lane County..... \$ 755,319
- Linn County ..... \$ 275,000
- Lincoln County..... \$ 190,000
- Douglas County..... \$ 375,000
- Marion County ..... \$ 975,000
- Jackson County..... \$ 710,000
- City of Talent..... \$ 280,000
- City of Phoenix ..... \$ 677,755

## MESSAGING

Wildfire impacted counties expressed an immediate need around the glut of building permits for rebuilds and a lack of capacity to process these permits in a timely manner. Most building departments have been right sized to address an annual and seasonal workload and that model has been turned on its head due to the wildfire impacts. This funding provides support to expedite permitting for those who experienced the loss of homes and structures as a result of the catastrophic wildfires.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

Takes effect on passage.

## VOTES

House Vote: 55-0-4

Senate Vote: 24-3-3

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## **PUBLIC WORKS**

### **Voiding Design Professional Indemnification Provisions (-) [SB 213](#)**

*Died in Senate Committee on Judiciary and Ballot Measure 110 Implementation*

#### **SUMMARY**

SB 213 voids provisions of a construction contract agreement that require a design professional to defend or indemnify another against claims or damages arising from negligence in design services, except to the extent the design professional's proportionate negligence caused the indemnitee's damage as determined at trial or arbitration.

#### **AOC ENGAGEMENT**

AOC staff joined a coalition of local governments in opposition to SB 213.

#### **MESSAGING**

SB 213 would unnecessarily transfer risk of defective design from design professionals to contracting agencies and the public.

#### **FISCAL IMPACT**

The potential fiscal impact of SB 213 to counties is indeterminate but potentially very significant, due to limits on county contracting and the prohibition on indemnity provisions for design professionals which would leave public agencies responsible for defending claims of design negligence, at considerable added cost.

#### **REVENUE IMPACT**

N/A

#### **EFFECTIVE DATE**

N/A

#### **VOTES**

N/A

### **RV Registration Fee and Abandoned RV Disposal Account (+) [SB](#)**

[466](#)

*Failed*

#### **SUMMARY**

SB 466 establishes an Abandoned Recreational Vehicle (RV) Disposal Revolving Account within the State Highway Fund to compensate property owners for removal and disposal of abandoned RVs for which they were not responsible. The measure also authorizes the Department of Transportation to increase registration fees for RVs to fund the Revolving Account.

A related bill, [SB 300](#), did pass this session, which establishes the State Board of Towing within ODOT, and provides the Board certain regulatory powers over towing businesses in Oregon.

## **AOC ENGAGEMENT**

AOC staff submitted [testimony](#) in support of SB 466 for the public hearing in the Joint Committee on Transportation.

## **MESSAGING**

SB 466 is a straightforward approach to the statewide issue of abandoned RVs. RVs are commonly abandoned on public properties, from our parks and public forests to state highways, city streets, and rural county roads. The issue has become extremely prevalent in recent years and counties, with the capacity to keep up with enforcement and removal, must cover the significant costs with their limited General Fund dollars. SB 466 and the funding mechanism it would create could provide an important additional tool for local governments to address this growing and expensive issue.

## **FISCAL IMPACT**

Counties could have sought reimbursement for the disposal of abandoned RVs on county property

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

## **Public Water Project Materials Preference (-) [HB 2310](#)**

*Died in House Committee on Water*

## **SUMMARY**

HB 2310 prohibits local governments from adopting specifications for pipe materials during the design phase in water projects when state funds are used.

## **AOC ENGAGEMENT**

AOC staff strategized with local governments to communicate strong opposition to the bill. HB 2310 received a public hearing but did not advance out of the House Committee on Water.

## **MESSAGING**

HB 2310 and proposed amendments preempt local control, interfere with the expertise of local public works and engineering professionals, create unnecessary administrative burdens, and would likely lead to a significant increase in bid protests and litigation over pipe selection on public projects.

## **FISCAL IMPACT**

HB 2310 results in an indeterminate fiscal impact to county public works projects.

## **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

# Post-Judgement Lawful Units of Land (+) [HB 2312](#)

*Passed*

## SUMMARY

HB 2312 clarifies lots or parcels of land that are created by judgment of a circuit court are considered lawfully created units of land if the judgment: 1) resolves a boundary dispute between two adverse parties; 2) adjudicates the rights of the parties to the property; 3) includes a legal description of the relocated property line; 4) is a final judgment for which the time to appeal has expired without appeal; 5) is recorded in the office of the county clerk; and 6) does not create an additional lot of parcel. The bill also specifies that applications for permits must be based on property lines as relocated by a court.

## AOC ENGAGEMENT

AOC supported HB 2312 at the recommendation of the Oregon Association of County Engineers and Surveyors (OACES) and the Professional Land Surveyors of Oregon (PLSO). AOC and OACES joined the PLSO in [testimony](#) supporting the bill before the House Committee on Rules and the Senate Committee On Judiciary and Ballot Measure 110 Implementation.

## MESSAGING

HB 2312 will bring clarity and stability to Oregon's cadastral and land use system by removing some of the confusion and contradiction between land use and real property.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

January 1, 2022

## VOTES

House Floor: 58-0-1-1

Senate Floor: 21-1-8

## **Construction Rental Equipment Safety Protocols** (No Position) [HB 2682](#)

*Passed*

### **SUMMARY**

HB 2682 was introduced in response to a tragic accident in Benton County resulting in the death of a county employee while on the job operating a rented heavy vehicle in 2019. The bill requires counties to request inspection records, instructions for operation and maintenance, records of injury and death specific to the rented vehicle, and a signed affidavit attesting compliance with safety standards and vehicle inspections from rental company. HB 2682 allows the county to delay payment if the heavy equipment or vehicle does not meet standards. This policy does not apply to a rental company doing over a total of \$100,000 of business per year.

### **AOC ENGAGEMENT**

Upon recommendations from the Oregon Association of County Engineers and Surveyors (OACES), AOC took an initial position to oppose HB 2682, unless amended. OACES concerns centered on creating a significant administrative burden to county public works departments without improving employee safety. AOC staff worked with the American Federation of State, County, and Municipal Employees (AFSCME) to amend the bill and remove AOC and OACES opposition.

### **MESSAGING**

HB 2682 creates a mechanism to help counties hold rental companies accountable for the safety and maintenance of rented heavy equipment and protects employee safety.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

91 days following adjournment

### **VOTES**

House Floor: 54-0-6

Senate Floor: 20-2-8

## **Public Contract Employee Benefit Requirements** (-) [HB 2757](#)

*Died in House Committee on Business and Labor*

### **SUMMARY**

HB 2757 required bidders for public improvement contracts to demonstrate that they provide a health benefit plan or health insurance and retirement benefit plan to their employees, if the public improvement contract or subcontract has a price exceeding \$200,000.

The bill was scheduled for a public hearing, which was cancelled, and then died in the House Committee on Business and Labor.

## **AOC ENGAGEMENT**

Upon recommendations from the Oregon Association of County Engineers and Surveyors (OACES), AOC took an initial position to oppose HB 2682, unless amended. OACES concerns centered on creating a significant administrative burden to county public works departments without improving employee safety. AOC staff worked with the American Federation of State, County, and Municipal Employees (AFSCME) to amend the bill and remove AOC and OACES opposition.

## **MESSAGING**

HB 2757 could cause significant increased costs to public works contracts.

## **FISCAL IMPACT**

HB 2757 would potentially have significant fiscal impact due to increased costs of public works contracts.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

## **Plat Recording Time Extension (+) [HB 2884](#)**

*Passed*

### **SUMMARY**

Currently, a professional land surveyor has only 90 days after a plat recording application has been approved to complete the necessary survey work, prepare the required map for the validation, have the necessary reviews of the map by the city or county, and record it – this is a very tight timeline. If the process is not completed within 90 days, the applicant must reapply for the application, which results in another application fee and more time lost. HB 2884 extends the time allowed to record a land partition after a city or county planning department has granted tentative approval for validating a unit of land. This process is used when a landowner has discovered their property was created in an improper manner, but still meets all the necessary current land use criteria to be a legal lot.

### **AOC ENGAGEMENT**

AOC supported HB 2884 at the recommendation of the Oregon Association of County Engineers and Surveyors (OACES) and the Professional Land Surveyors of Oregon (PLSO). AOC and OACES joined the PLSO in [testimony](#) supporting the bill before the House Committee on Rules and the Senate Committee On Judiciary and Ballot Measure 110 Implementation.

### **MESSAGING**

The extended plat recording timeline created by HB 2884 is reasonable, aligns with other review periods, and allows for a more thorough and efficient process, especially in more complicated cases.

### **FISCAL IMPACT**

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

January 1, 2022

## VOTES

House Floor: 57-0-1-2

Senate Floor: 26-1-3

# Systems Development Charge and Affordable Housing Study

(No Position) [HB 3040](#)

Passed

## SUMMARY

HB 3040 directs the Oregon Housing and Community Services Department (OHCS), in consultation with Department of Land Conservation and Development, Department of Environmental Quality, Department of Revenue and Oregon Business Development Department, to conduct a comprehensive study of System Development Charges (SDCs) and other cost-drivers of affordable housing.

## AOC ENGAGEMENT

AOC did not take an official position on HB 3040 but staff and Deschutes Road Department Director participated in a months-long [legislative work group](#) on SDCs, which resulted in the introduction of the study bill. AOC and local governments negotiated the terms of the study to include a comprehensive analysis of all cost drivers of affordable housing as well as an analysis of infrastructure needs and costs.

## MESSAGING

Seven counties and most cities use SDCs to pay for capital improvement projects based on new development. Local governments have limited options for financing infrastructure and the Legislature should look for opportunities for a state and local partnership.

## FISCAL IMPACT

HB 3040 results in a \$911,604 fiscal impact to OHCS (General Fund resources) to conduct the study. There is no fiscal impact to counties.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

July 19, 2021

## VOTES

House Floor: 58-0-0-1

Senate Floor: 22-6-2

# County Utility Permit Fee Authority (+) [HB 3049](#)

*Died in Joint Committee on Transportation*

## SUMMARY

HB 3049 proposes to increase county authority around managing utilities' use of their right of way by and addressing two primary issues.

First, county right of way management responsibility includes managing the location of utility facilities through utility permit review, permit administration and filing, traffic control plan review, and site inspections. Under ORS 758.010 counties are precluded from recovering any costs associated with this work.

Second, statute requires counties to coordinate with impacted utilities during public works projects and allows requests for facility relocation. However, utilities are not required to do the work of physically relocating, which leaves counties to find appropriate contractors and manage the relocation. Utilities are responsible for actual relocation costs, but counties currently have no means to recover the significant additional costs that are often incurred due to delay.

HB 3049 offers two changes to address these issues:

- Authorizes counties to charge administrative fees to recover the costs of permitting utility work in the county road right of way; and
- Increases available remedies to counties when utilities delay or refuse to relocate their facilities by expressly allowing for the collection of liquidated damages.

## AOC ENGAGEMENT

AOC staff worked with the co chairs of the Joint Committee on Transportation to introduce HB 3049 as a committee bill. AOC staff negotiated with utility stakeholders who strongly opposed the bill and were unwilling to offer compromise language. AOC and the Oregon Association of County Engineers and Surveyors (OACES) also submitted written testimony for the public hearing. The bill received a public hearing during which AOC and Multnomah and Marion County staff testified in strong support but did not advance for a work session.

## MESSAGING

HB 3049 is not a silver bullet for county road budgets, but it proposes modest, fair, and appropriate cost recovery tools for counties, so we no longer have to subsidize the utilities' costs of doing business in the public rights of way.

## FISCAL IMPACT

There is minimal potential fiscal impact due to the administrative costs associated with setting up the processes necessary to track and assess fees to permits. These costs would be offset by the cost-recovery fees authorized in HB 3049.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

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# SOLID WASTE

## Plastics Reduction and Recycling System Modernization (+) [SB](#)

[582](#)

*Passed*

### SUMMARY

SB 582, created as a work product of the Department of Environmental Quality (DEQ) [Recycling Steering Committee](#), conducts a comprehensive overhaul of Oregon’s recycling system. Broadly, SB 582 creates a statewide collection list and requires producers of paper, plastic, and other materials to fund new initiatives aimed at collecting and recycling more of their materials and doing so responsibly. The bill creates a Producer Responsibility Organization (PRO) that would charge fluctuating annual membership fees to covered producers which will fund recycling expansion. Individual producers will be able to reduce their costs by shifting to packaging options that are less burdensome on the recycling system and/or less polluting. The producer responsibility organization plans become effective on April 1, 2027 and are reviewed every five years.

Producer-funded expansions and programs include educational campaigns to help consumers better understand recycling; help upgrade existing recycling facilities; and pay for things like trucks, transportation costs, and new containers to help local governments expand their recycling offerings. The PRO must, on request, fund in advance or reimburse local government or local government’s service provider, as appropriate, for eligible expenses.

SB 582 exempts items “sold on a farm or used on a farm” unless the packaging ultimately ends up in a retail establishment. Local governments will have four seats on the newly established 17-member Oregon Recycling Advisory Council, which will have significant oversight authority.

### AOC ENGAGEMENT

AOC staff engaged in months of negotiated amendment review and deliberation with a coalition of local governments and the Oregon Refuse and Recycling Association, a statewide trade association representing solid waste management companies in Oregon. AOC participation in shaping the bill was guided by AOC Legislative Committee adopted principles and priorities.

As the policy work was finalized, AOC’s Legislative Committee unanimously approved the recommendation of the AOC Transportation and Community Development Steering Committee to support SB 582. AOC staff joined a coalition of supportive local governments to advocate for final passage of the bill with multiple legislator meetings and targeted outreach efforts.

### MESSAGING

SB 582 provides significant benefit and expanded recycling opportunities to rural and remote communities, protects ratepayers, maintains existing roles of local governments and their franchised or licensed haulers, and helps Oregonians reduce waste and protect the environment. Oregon’s current system of recycling costs ratepayers \$223 million per year. The price tag on this aging system continues to increase and is passed on to ratepayers and local governments, who at the same time have seen a significant decrease in recycling opportunities in recent years.

## FISCAL IMPACT

SB 582 resulted in a minimal fiscal impact to counties associated with code or building standard modifications.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

91 days following adjournment.

## VOTES

Senate Floor: 16-13-1

House Floor: 31-24-3-1

## Household Hazardous Waste Product Stewardship (+) [HB 2955](#)

*Died in Joint Committee on Ways and Means*

### SUMMARY

HB 2955 uses a product stewardship model to establish a statewide program for the collection and environmentally sound management of designated Household Hazardous Waste (HHW) products that produce hazardous waste, including pesticides, solvents, and flammable liquids. The program would be similar to Oregon's successful Electronics and Paint Product Stewardship Programs, which were established in 2007 and 2009 respectively.

### AOC ENGAGEMENT

The AOC Transportation and Community Development Steering Committee moved to support HB 2955 on the recommendation of Wasco County Commissioner Steve Kramer, who also serves as chair of the Tri-County Household Hazardous Waste and Recycling Program and spent 10 years working in the solid waste and recycling industry. AOC staff coordinated with a coalition of supporters of HB 2955 and engaged with the bill sponsor to advocate for its passage this Session. Commissioner Kramer provided [written testimony](#) in support of HB 2955.

### MESSAGING

Because of the high costs of construction and operation of facilities to collect HHW, 17 counties in Oregon continue to lack permanent HHW collection sites for residents to use and have access only to occasional HHW collection events. A stewardship program for HHW, as proposed in HB 2955 would support existing collection and expand collection opportunities throughout Oregon.

The additional resources derived from HB 2955 would have allowed underserved communities to partner with the Department of Environmental Quality (DEQ) and with existing (and future) stewardship organizations (such as Paintcare and E-Cycles) to affordably offer regular bundled hazardous waste collection.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

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# STATE HIGHWAY FUND

## Increase to Mandated State Highway Fund Bike/Ped

### Expenditures (-) [SB 395](#)

*Died in Joint Committee on Transportation*

### SUMMARY

SB 395 would increase the required expenditures of State Highway Fund dollars on footpaths and bike trails from one to five percent and require all “resurfacing” projects to include expenditures on footpaths and bicycle trails. The bill removes rural and small project exemptions, excludes highway shoulders from the definition of a bicycle trail, and requires new and duplicative reporting. Because SB 395 includes an unfunded mandate in the form of a diversion of four percent of county road budgets (approximately \$12-14 million annually for counties) and includes a significant preemption by removing local control over community investments, AOC and the Oregon Association of County Engineers and Surveyors (OACES) opposed the bill.

### AOC ENGAGEMENT

AOC and OACES submitted detailed [written testimony](#) in opposition to SB 395 and AOC staff provided verbal testimony in opposition to the bill in the public hearing in the Joint Committee on Transportation.

### MESSAGING

Due to growing budgetary constraints, and a combined deferred transportation maintenance backlog of \$100 million annually, counties must be deliberate, strategic, and efficient with their limited resources. SB 395 would have diverted \$12-14 million from county road budgets for prudent investments.

### FISCAL IMPACT

SB 395 would reallocate four percent of county state highway funds to pedestrian and bicycle projects.

### REVENUE IMPACT

N/A

## EFFECTIVE DATE

N/A

## VOTES

N/A

# VETERANS

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## BUDGET BILLS

### Oregon Department of Veterans' Affairs Budget (+) [HB 5036](#)

*Passed*

#### SUMMARY

HB 5036 is the budget bill for the Oregon Department of Veterans' Affairs (ODVA). The budget includes a transfer of General and Lottery Fund dollars to ODVA for department biennial expenses.

Funding for Critical Programs:

- **\$9,429,442** for County Veteran Service Officer (CVSO) Funding. These are pass-through dollars that go directly to counties.
- **\$1,042,669** for Mobilization Partnerships to Support Veterans Policy Option Package, which includes:
  - **\$650,000** transferred to Oregon Department of Transportation to administer the Rural Veteran Healthcare Transportation Grant Program;
  - **\$600,000** for the Campus Veteran Resource Grant; and
  - **\$938,118** for the Veteran Services Grant Program.
- **\$18,470,367** for Oregon Veterans' Home Loan Program
- **\$6,113,208** for the Veterans' Affordable Housing Project
- **\$175,000** for the Veteran Educational Bridge Grant Program

#### AOC ENGAGEMENT

AOC testified in favor of policy option packages that are important to our members and their constituents.

#### MESSAGING

Oregon's veterans fill a vitally important role in our communities, state, country, and internationally. As a result, it is critically important that Oregon fund ODVA and programs that serve our veterans, including our CVSOs who assist our veterans in gaining access to programs, services, and health care services every day.

#### FISCAL IMPACT

A budget report was issued. A direct impact to counties includes the \$9,429,422 CVSO pass-through that goes directly to counties.

#### REVENUE IMPACT

N/A

#### EFFECTIVE DATE

July 1, 2021

#### VOTES

House Floor: 57-0-2

Senate Floor: 28-1-1

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# MEMORIALS

## Oregon's Vietnam War Memorial (+) [SB 319](#)

*Passed*

### SUMMARY

SB 319 dedicates southwest corner of State Capitol State Park grounds, just south of World War II memorial, for a Vietnam War memorial. The bill directs Oregon Parks and Recreation Department (OPRD) to maintain the completed memorial. The bill requires funding and installation by an Oregon nonprofit organization dedicated to establishing same.

### AOC ENGAGEMENT

AOC supported this important piece of legislation and advocated with the legislative committee chairs, including the chair of House Rules to ensure passage of this important piece of legislation.

### MESSAGING

Approximately nine million American service men and women served during the Vietnam War era; an estimated total of 180,000 were Oregonians. SB 319 dedicates a portion of the State Capitol State Park grounds for a Vietnam War memorial. The memorial would serve as statewide recognition of those that paid the ultimate sacrifice and those that continue to suffer decades after returning home.

### FISCAL IMPACT

There is a minimal fiscal impact associated with the bill, but no direct impact to counties.

### REVENUE IMPACT

N/A

### EFFECTIVE DATE

July 14, 2021

### VOTES

Senate Floor: 29-0-1

House Floor: 58-0-1

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# PROGRAMS AND SERVICES

## Group Angling/Shellfish Licenses for Veterans (+) [SB 320](#)

*Passed*

### SUMMARY

SB 320 enables nonprofits serving veterans or members of the armed forces whose duty station is a warrior transition unit to conduct group excursions using free angling or shellfish harvest licenses

issued by agents of the State Fish and Wildlife Commission continuing Oregon's history of providing access to our states' beauty and natural resources to those who have served.

### **AOC ENGAGEMENT**

AOC supported this important piece of legislation and advocated with legislative committee chairs to facilitate passage.

### **MESSAGING**

Oregon continues to offer a variety of recreational opportunities for veterans and servicemembers, this bill offers additional opportunities to those who have served our country.

### **FISCAL IMPACT**

There is a fiscal impact to the Oregon Department of Veterans' Affairs (ODVA) and the Oregon Department of Fish and Wildlife, but no direct impact to counties.

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

June 15, 2021

### **VOTES**

Senate Floor: 28-0-2

House Floor: 57-0-3

## **Free State Park Use for Family Members of Veterans Killed in Action (+) [SB 534](#)**

*Died in Joint Committee on Ways and Means*

### **SUMMARY**

Oregon's Special Access Pass program is currently open to all U.S. veterans with any level of service-connected disability throughout the United States and Oregon-certified foster families and adoptive foster families. Qualified veterans in the program are eligible for ten nights of camping free of charge each month within an Oregon State Park or Oregon Department of Forestry campground. Program participants also receive free day use and showers at all Oregon State Parks year-round. Our program is unique and is a testament to our commitment to finding ways to honor those who have served our country. SB 534 expands free use of state parks, individual campsites, and day use areas to include parents, siblings, spouses, and dependents of members of the U.S. Armed Forces who were killed in action.

### **AOC ENGAGEMENT**

AOC supported this important piece of legislation and advocated with committee chairs.

### **MESSAGING**

The extension of our uniquely Oregon program to families of those who paid the ultimate cost is a way Oregon can recognize the sacrifice made by the families of those who have served.

## **FISCAL IMPACT**

SB 584 had a minimal fiscal impact, and direct impact to counties.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

# **Increased Access to Oregon Housing and Community Services Programs (+) [HB 2094](#)**

*Passed*

## **SUMMARY**

HB 2094 authorizes the Oregon Housing and Community Services (OHCS) Department to define "veteran" by rule for Oregon Housing Fund programs, which would expand access to OHCS programs creating equity and increased access to programs and services through OHCS. Currently, veterans discharged for pregnancy, Don't Ask Don't Tell, or Other Than Honorable Discharge cannot access OHCS programs. HB 2094 only changes the definition for OHCS programs.

## **AOC ENGAGEMENT**

County Veteran Service Officers (CVSOs) have highlighted the disparities between the definition of "veteran" set forth by the federal government and what that means to equity and access of services for those who have served our nation. CVSOs brought this important issue before AOC for consideration. In short order, the AOC Veterans Steering Committee took a position of support on this bill. AOC members and staff advocated in support of the bill with legislators, and chairs of the veterans committees, seeing it through passage in the Legislature. AOC will engage with OHCS in the rulemaking process moving forward.

## **MESSAGING**

Allowing OHCS to match the federal definition of "veteran" promotes equity and ease of access to programs and services to those who have served our country. Oregon's CVSOs are federally accredited advocates for their community's veterans, and through their day-to-day work with veterans and their families, CVSO's understand the needs and issues facing these members of our communities who have given so much of themselves in service to our nation. This bill allows Oregon to be inclusive of veterans who have served our country by making them eligible for state veteran programs.

## **FISCAL IMPACT**

N/A

## **REVENUE IMPACT**

N/A

## EFFECTIVE DATE

January 1, 2022

## VOTES

House Floor: 57-0-3

Senate Floor: 24-6-0

## Rural Veterans Healthcare Transportation Grant Program (+) [HB 2139](#)

*Passed*

### SUMMARY

HB 2139 establishes the Rural Veterans Healthcare Transportation Grant Program within Department of Veterans' Affairs. The bill directs the department to provide a grant program supporting transportation services for veterans in rural areas to access services for physical, mental, or behavioral health care.

### AOC ENGAGEMENT

AOC supported this important piece of legislation and advocated before the Legislature to facilitate passage of the bill.

### MESSAGING

The Rural Veterans Healthcare Transportation Grant program provides a much-needed resource in strengthening health care accessibility for veterans in rural areas.

### FISCAL IMPACT

There is a fiscal impact to ODVA, but no direct impact to counties.

### REVENUE IMPACT

N/A

## EFFECTIVE DATE

January 1, 2022.

## VOTES

House Floor: 59-0-0

Senate Floor: 28-0-1

## Veterans' Home Loan Program Expansion (+) [HB 2140](#)

*Passed*

### SUMMARY

HB 2140 expands the Oregon Department of Veterans' Affairs (ODVA) home loan program to include improvement or refinancing of a farm or home as acceptable uses of a loan. The bill authorizes ODVA to make certain subordinate loans with specific requirements. The bill was a housekeeping measure to fix the language within Oregon Revised Statute (ORS) Chapter 407 and

reinstates explicit statutory authority for ODVA's Veteran Home Loan Program related to refinances and assistance for down payment assistance and closing costs.

### **AOC ENGAGEMENT**

AOC supported this important piece of legislation by partnering with ODVA and advocating to the Legislature to facilitate passage.

### **MESSAGING**

Oregon is one of only five states that offers a veteran home loan program, and it is an Oregon benefit that is separate and distinct from the federal Veterans Assistance (VA) Home Loan Guaranty. Through this program, Oregon has loaned approximately \$8 billion in low-interest home loans to more than 334,000 veterans in Oregon since 1945. This bill offers more flexibility to Oregon's program advancing opportunity for home ownership and housing affordability for Oregon's veterans.

### **FISCAL IMPACT**

N/A

### **REVENUE IMPACT**

N/A

### **EFFECTIVE DATE**

January 1, 2022

### **VOTES**

House Floor: 56-0-4

Senate Floor: 27-0-3

## **Veterans' Educational Bridge Grant Program (+) [HB 2141](#)**

*Died in the Joint Committee on Ways and Means*

### **SUMMARY**

HB 2141 would have repealed the sunset on Oregon's Veteran Educational Bridge Grant Program, created in the 2019 Legislative Session. Through the program, grants up to with \$5,000 are available to student veterans who are unable to complete an academic program on time because a required course is not available. During the COVID-19 pandemic, the need for educational assistance for student veterans was extremely high. The program will sunset on January 2, 2022.

### **AOC ENGAGEMENT**

AOC supported this important piece of legislation and engaged with the committees and the Oregon Department of Veterans' Affairs (ODVA) to facilitate passage.

### **MESSAGING**

This important grant program was designed to provide support to bridge a pause in educational benefits to keep veterans on track with their education and career goals and prevent them from removing themselves from academic programs to join the workforce to bridge a financial gap when courses are unavailable.

## **FISCAL IMPACT**

There is a fiscal impact to the Oregon Department of Veterans' Affairs (ODVA), but no direct impact to counties.

## **REVENUE IMPACT**

N/A

## **EFFECTIVE DATE**

N/A

## **VOTES**

N/A

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# **VOCATIONAL SUPPORT**

## **Veterans' Preference for Public Employment (+) [SB 184](#)**

*Passed*

### **SUMMARY**

SB 184 allows for additional options for job applicants to demonstrate eligibility for veterans' preference, including by modifying the requirement of separation from military service under honorable conditions allowing certification that separation from service is expected within 120 days for an applicant to claim veterans' preference in public employment. The bill also replaces "preference points" with "percentage points" making statutory language consistent with language used in the hiring process.

### **AOC ENGAGEMENT**

AOC supported this important piece of legislation and advocated with the committee chair and members of the Legislature to facilitate passage. SB 184 was one of a couple bills related to veterans' preference that AOC engaged on.

### **MESSAGING**

Veteran's preference is important to both our veterans in the workforce and our counties as public bodies. There are gaps and inconsistencies in our definitions related to veterans across our statutes and AOC continues to remain engaged on legislation related to this important topic. SB 184 helps close statutory gaps in definitions related to veterans, creating a more streamlined process for veterans to work through the hiring process.

### **FISCAL IMPACT**

SB 184 has a minimal fiscal impact. The changes in SB 184 to the veterans' preference language from "preference" to "percentage" does not add any additional burden to county human resources departments. The language change is meant to make it more consistent with the hiring process. Additionally, by adding additional documents a veteran can utilize to certify their service prevents delays in hiring since a veteran would not be required to use only one specifically identified source of certification.

## REVENUE IMPACT

N/A

## EFFECTIVE DATE

January 2, 2022

## VOTES

Senate Floor: 26-1-3

House Floor: 58-0-2

## Veterans' Preference for Public Employment (+) [HB 2903](#)

*Died in House committee upon adjournment*

### SUMMARY

HB 2903 requires veterans to provide evidence of eligibility for veterans' preference in public employment at the time of application for a position in the public sector. The evidence may include any documentation demonstrating preference eligibility. The bill also modifies laws relating to interviews of veterans for vacant civil service positions, requiring public employers that do not interview a veteran to provide written explanation of reasons for the decision to the veteran.

### AOC ENGAGEMENT

AOC supported this important piece of legislation and advocated for the bill with the committee chair to facilitate passage. HB 2903 was one of a couple bills related to veterans' preference, and while it did not pass, other legislation on this topic did make it through the process.

### MESSAGING

Veteran's preference is important to both our veterans in the workforce and our counties as public bodies. There are gaps and inconsistencies in our definitions related to veterans across our statutes and between state and federal definitions of veterans.

Considering county CVSOs work across state and federal programs, it is important that AOC continues to remain engaged on legislation related to this important topic. The expansion of the state definition of "veteran" set forth at ORS 408.225 is necessary to provide consistency and certainty to our veterans as there currently are individuals who qualify as a "veteran" under federal law, but who are not able to satisfy the current state definition.

Recognizing the federal Department of Veteran Affairs' (VA) ability to administratively consider the totality of an individual's service and to find they served "honorably for VA benefit purposes" goes a long way to addressing the majority of situations where we see a disparity in treatment under federal versus state law.

## FISCAL IMPACT

N/A

## REVENUE IMPACT

N/A

**EFFECTIVE DATE**

N/A

**VOTES**

N/A

# Legislative Affairs Staff

For questions related to the Third Legislative Special Session of 2021 Legislative Summary, or any other policy questions, please contact AOC legislative affairs staff. Each staff serves as an expert in their policy area and is your advocate.



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