The Calm Before the Storm
by Theresa Gibney, Natural Resources Volunteer

April 8th and April 18th. These are the magic days that will drive a "storm" of activity in the Capitol. April 8th is the last day that a bill can be posted for a work session. This means that there must be room on the calendar, the following days after, for a discussion/vote that will move the bill to the House or Senate floor. April 18th is the last day that a bill can move out of the first chamber's committee and to the floor for a vote of all the members. The exceptions are the Rules, Revenue, Tax Credits and Ways and Means Committees, who can continue with bills or will have bills move to those Committees for further work. But many bills will "die" for lack of action.

This week has been comparatively quiet in the hearing rooms. Negotiations, in the background, have been hot and heavy in workgroups formed to find compromise on controversial bills. Scheduled work sessions have been postponed as negotiations went sideways, or when the overburdened Legislative Counsel (attorneys who actually write legislation and amendments) or the Legislative Fiscal Office (professionals who determine how much the bill will cost to implement) receive the amendments too late to consider before the work session.

Follow the blustery results in the upcoming Legislative Reports.

Potential Action on Trafficking
By Karen Nibler, Social Policy Coordinator

Sex Trafficking of minors has been a concern in the Human Services and Judiciary Committees. Several bills have been filed, but a few of them present legal issues and aren't
Potential Action on Trafficking

likely to pass. HB 2395 creates a Human Trafficking Task Force to study issues related to human trafficking and make recommendations to the next session. This bill was passed and sent to Ways and Means to be considered for funding.

The League has not testified on sex trafficking bills because we do not have positions on crimes or prosecution of crimes. The League does have positions on violence prevention services, mental health, and shelter homes for homeless youth and supports those services. The progress of these bills will be monitored because of our members' interest.

For more discussion on other bills related to sex trafficking that the League is monitoring, go to Social Policy.

Revenue Options: Hue and Cry

By Kappy Eaton, Governance Coordinator

Oregon needs additional revenue to fund its three top priorities - public education, human services and public safety. There is general legislative agreement on that issue, but as the Revenue committees and the Joint Ways and Means committee (W&Ms) consider various funding proposals, common ground between the Democrats and the Republicans is limited.

The Governor's proposed budget and the Budget package of W&Ms total about the same (General Fund of $16 billion+), and both contain significant revenue from PERS reform (Public Employees Retirement System). Other major sources of substantial revenue include revising the senior medical deduction, eliminating or reducing itemized tax deductions, and looking beyond just the expiring tax credits at tax expenditures which cause a large loss of state revenue. Like it or not, legislators are being reminded that Oregon's tax breaks total about $27 billion ($32.5 billion 2013-15) per biennium.

To continue with the ongoing discussion, go to Governance.
The Senate Judiciary heard SB 673 and SB 786 on March 25th. Last session the Legislature passed a bill with a $10,000 fine for johns, which does not appear to be a disincentive. Portland Police reported 140 charges filed by the Multnomah District Attorney in the past year. SB 673 would make it a misdemeanor to patronize a prostitute (18 or older), a felony crime to patronize a trafficked child to engage in a commercial sex act, and a higher felony for trafficking in persons if a person recruits, entices, harbors or transports a person or child, knowing they will be subjected to involuntary servitude or forced to engage in commercial sex acts. In addition, the alleged offender commits the crime of trafficking in persons if the person benefits financially or receives something of value in the transaction.

SB 673 had support from police, victims and advocates. SB 786 added training for all police and reserve officers through the Department of Public Safety Standards and Training, in order to recognize and to investigate cases of labor trafficking and sex trafficking children and adults. The Vice-Chair of the Committee did not want to wait for the recommendations of the Task Force. She asked to form a workgroup so that the issue could be resolved this session. HB 2019 is similar to SB 673.

The League will continue to monitor these bills.

Aging and People with Disabilities

This section of the Department of Human Services (DHS) Budget was heard from March 25th to the 28th.

Oregon is known for Oregon Project Independence (OPI,) which serves 1,500 seniors in their own homes. This program delays the senior’s need for longer term care in a more expensive option. 28,000 seniors are now served in Long Term Care, which provides assistance with activities of daily living, medical care, durable medical equipment, consultation and therapy. 38% receive intensive services in their own home, 46% are in community-based care and 16% are in nursing facilities. There are an average of 1655 seniors a month in community-based care, 40% in foster care, 35% in assisted living, and 25% in residential care facilities. Those in
nursing home facilities stay an average of 60 to 81 days. The total cost is $1.5 billion a biennium to serve low-income seniors. Comparative cost is $2.580 billion in Connecticut.

The Area Agencies on Aging (AAA) serve 380,000 Oregonians with consultation, eligibility for programs such as Medicaid, Disability and Supplemental Nutrition Assistance (SNAP) and counseling on care options. Each of the 17 area agencies are required to do a needs assessment and an area plan. The Older Americans Act provides federal funds for these resource centers, but the recent federal financial situation resulted in a 7.5% cut from March 1 through September 30. The agency supplied 2.5 million meals to 50,000 seniors and disabled persons on site and delivered to homes, but they need donations and volunteers to provide this service. Another 12,000 seniors are at high nutrition risk.

Advocates, providers, and workers spoke during the Public Testimony hearing on March 28th. People with Disabilities were proud to be able to speak to the committee in spite of their handicapping conditions. Union representatives supported the 2.5% COLA for in-home workers, although they wanted it to be effective for the 24 months of the budget. The 10% cut in hours of care was not restored, and foster home provider rates have not been increased since 2008. Specialty care facilities for Alzheimer, dementia, and mentally ill patients are needed, and may be developed under the Addictions and Mental Health budget. AAA staff talked about high caseloads and less than full funding from the state for non-profit agencies. The League did not testify on this section of the DHS Budget.

**SB 21** requests that a planning report be submitted to the 2014 session. The agency anticipates a growth in the senior population from 502,000 to 950,000 by 2030. The bill asks DHS to develop a plan to modernize the long-term care system, including Oregon Project Independence and those not served in the existing long-term care system.

**HB 2056** continues the nursing home assessment. It currently was set to sunset June 30, 2013. The provider tax for 18 skilled nursing facilities is determined by the number of beds full per day at $17 a day. However, the bill was amended and passed on Monday, April 1. The long term care assessment will be extended to July 1, 2020, with a 10% reduction in bed capacity every 2 years. The Governor offered incentives to reduce capacity, which is currently at 61%. Other states have an 80 - 85% rate of nursing home beds filled. The bill was moved to the floor with a do pass and a referral to the Revenue Committee.
The Center for Medicare and Medicaid Services (CMS) waiver would provide a 6% match for home and community-based care slots. The DHS budget will have a hole if the estimated $63 million is not awarded. Oregon received its first waiver in 1982 to provide long term care in home and community-based settings in lieu of nursing facilities.

Adult Protective Services investigates reports of abuse to vulnerable adults. The new agency investigated 14,000 of these reports. The most common abuse types were financial exploitation of elders and adults with physical disabilities, neglect by the caregiver for adults with developmental disabilities, physical abuse of adults with mental illness, and neglect of adults living in licensed settings. It now takes 60 days to complete an investigation.

Support the Action Committee!

Please show your appreciation of the Action Committee and the Legislative

Water Resources Dept.
Budget

Water issues have been a major focus of this session. Having adopted Oregon's first Integrated Water Resources Strategy, many bills were filed to begin to implement the Strategy. Part of that includes monies in a number of natural resource agency budgets for staff or programs. On March 28 the League provided testimony in support of a number of new data collection and monitoring positions in the Water Resources Department. Because 90% of Oregonians have groundwater as their first or second source of drinking water, we prioritized additional monies for groundwater studies. Without good data, local governments cannot determine how to respond to certain land use applications. And we cannot determine where or if storage projects are needed. The Power Point for this budget is available at OLIS.

Read the League's testimony and weigh in with your legislator on the importance of managing Oregon's waters: "All water within the State from all sources of water belongs to the public."
**HB 3172-Onsite Septics - An Update**  
*By Peggy Lynch, Natural Resources Coordinator*

As more horror stories of failing septic systems around Oregon were shared, the League provided additional testimony in favor of the original bill. Richard Litts, the Monitoring Coordinator for Tenmile Lakes Basin Partnership in Lakeside, Oregon, provided very clear testimony related to why we need to address this serious public health issue.

Continue calling your legislators and sharing these facts. If you have your own story, share that as well.

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**New Land Use Processes**  
*By Peggy Lynch, Natural Resources Coordinator*

Look to the House Land Use Committee's April 4th meeting for a public hearing and possible work session on HB 2253, setting up a process for Portland State University's Population Research Center to provide population forecasts for cities every four years. As a neutral third party, this process is expected to provide better, more timely information for community planning. In return for this state process, this will no longer be a land use decision, so there will be no formal appeals process, although citizens can participate during the assessment and can object with cause.

**HB 2254** sets up the sideboards that the Land Conservation and Development Commission will use to do major rulemaking over the next 18 months to create an alternate process for cities to expand their Urban Growth Boundaries, and for cities and special districts to work together to determine who might serve those new areas.

**HB 2255** has three sections related to industrial lands:

- setting up a new process for industrial reserves,
- allowing 150-acre additions to the edge of a current Urban Growth Boundary for a 500-employee employer, and
- a smaller 50-acre 100-employee proposal aimed at smaller cities.

HB 2253 will have major amendments; the other two are "gut and stuff" amendments where they essentially replace the bills. Those amendments should be available on OLIS.
before the hearings—we hope!

The League has yet to determine our position on the bills, but at present we expect to support HB 2253. We have some concerns about the citizen involvement portion of HB 2254. Currently, we oppose HB 2255 as unnecessary and overreaching.

**Tune in on Thursday and watch your in-box for a request to contact your legislators about these huge changes to our statewide land use planning system.**

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**Ramping Up**

*By Theresa Gibney, Natural Resources Volunteer*

A flood of work sessions are expected on energy bills next week!

We will hear whether there is Committee support for changes that have been negotiated for **HB 2801**, the voluntary Energy Performance Score program (miles per gallon equivalent for the energy efficiency of your house).

We’ll see whether there will be changes to **HB 2893**, a bill likely to impact the solar industry significantly. It will either require a study of programs for the future or making changes to existing utility solar programs. We will also see whether the Committee will support **HB 2981**, which extends property tax exemptions in rural renewable energy zones, while removing the requirement that employment be stable or increased by the company, if more than $5 million is invested.

Technical fixes are still coming for the Energy Efficient Appliance Standards, **SB 692**. Next week, **SB 242**, instructing the Public Utility Commission on particular ways to look at the risk of coal in a utility generation portfolio, will be heard.

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**One Foot in Front of the Other**

*By Theresa Gibney, Natural Resources Volunteer*

There was progress in Committee this week. **HB 2345A**, the West Coast Infrastructure Exchange bill, passed 10-0 out of the Transportation and Economic Development committee and is on its way to Ways and Means. This bill establishes a
Kappy Eaton, Governance Coordinator

Task Force to explore a public/private financial and planning collaboration across the West Coast States and British Columbia to ensure infrastructure investments required for climate change adaptation and economic growth.

**SB 536**, the Electric Vehicle Charging bill, passed 5-0 out of the Senate Environment and Natural Resources Committee and will be voted on in the full Senate next week. This bill allows state agencies to install electric vehicle charging stations at the agency so that agency employees can buy an "electric fill up" at work during the day. Agencies will work with private companies who will install and finance the charging infrastructure or use a limited amount of agency funds.

These bills should pass over to the House as they are comparatively non-controversial.

**Revenue Options: Hue and Cry**

The discussion continues

**PERS.** The House and Senate Rules committees met jointly on March 27 to hear testimony and information about **SB 822**, the Ways and Means Democratic co-chair’s proposal to reform PERS and gain about $500 million in the process. During the very heated, emotional, and largely negative, almost four-hour session, the Republicans brought up **SB 754** which also modifies PERS, but with different percentages of impact on the annual 2 percent cost of living (COLA) payments to public government retirees. The issue is complicated, with former legal decisions, the statutory contract rulings, the real economic problem for thousands of former and future workers, and the continuing fiscal burden on school districts, cities and counties, whose payments into PERS are almost 25 percent of their payrolls, which causes severe cutbacks in services and programs.

The Senate Rules committee heard additional testimony for about an hour on March 28 and moved the bill to the Ways and Means committee by a 3-2 party-line vote. There will be proposed substantial amendments and much discussion in the next few months. However, both sides agree that PERS must be changed, including working on the elephant in the room of the PERS fund, a $16 billion unfunded
Senior Medical Deduction. Up for discussion on April 9th in the House Revenue committee are four bills related to modifying the tax credit for medical expenses of Oregonians over the age of 62. This tax expenditure has social value and consequences, so any changes would not take it away completely, but would obtain lost revenue through changes in ages and amounts. When the committee receives the Legislative Revenue Office analysis of these bills, there will be a better understanding of the dollars connected with the modifications.

1. **HB 2482** converts the itemized deduction to a subtraction from the filer's federal taxable income and phases out the amount of subtraction based on income. The age restriction is raised to 63 starting in 2013 and increases to 66 in 2016. There are also income levels and percentages of amounts which can be subtracted.

2. **HB 2483** also uses the subtraction from federal taxable income, but the subtraction is higher and the age remains the same as in current law, 62 years. It would take effect after January 1, 2013.

3. **HB 2490** is shorter, also uses the federal subtraction and keeps the age at 62 years. However, the amounts of deductions for the different classes of filers and the caps on the totals that could be deducted are left blank. With some amendments, this bill could be the final product.

4. **HB 3369** takes a different approach. It retains the 62 age requirement, but it caps the income level at which the medical deduction can be subtracted at $77,000, without any references to brackets.

Tax Expenditures. The Ways and Means Budget proposal seeks $275 million in tax expenditure repeals or revisions. Significant changes to such socially-valuable tax expenditures as the Earned Income Tax Credit, the Farmworkers Housing tax credit, and the Cultural Trust tax credit have already been dismissed. Some others with larger money attached are already drawing criticism, like the elimination of the federal itemized tax deductions on the Oregon return, having only a standard deduction, and creating a more equitable tax system. Currently, lower income Oregonians have a 6.4% tax burden compared to the top 10% with a 2% burden.

It will not be easy to eliminate or even change tax expenditures, but with the reality of having to cut human services and public safety more, lawmakers now seem...
ready to seriously consider some "sacred" tax expenditures. This will bring the wrath of long time lobbyists protecting their turf, who spoke ominously at the Senate Finance and Revenue committee March 27 on SB 305.

Memorials to Congress: HJMs #5, #6, and #8

You don't know if the Memorials sent to the U.S. Congress by state legislatures are any more effective than the numerous petitions sent by the Colonial Congress to King George III, but the issues they address are important to citizens.

The House Rules committee will be hearing three such memorials April 10, after the March 27 hearing was postponed.

- **HJM 5** relates to the Supreme Court's decision in the *Citizens United* case regarding the free speech rights of citizens and corporations, and asks for a passed and referred Constitutional amendment.
- **HJM 6** requests Congress to propose a Constitutional amendment on limiting certain political campaign contributions.
- **HJM 8** urges Congress to pass legislation requiring states to eliminate barriers to voting. LWVUS does not allow leagues to speak to *Citizens United* issues, but LWVOR will be testifying in support of HJM 8.

The tremendous efforts by governors and legislatures in conservative states to limit the rights of citizens to participate in elections need to be addressed quickly and strongly. Such barriers include:

- stringent ID requirements, particularly affecting minorities, the elderly and students;
- closing early voting opportunities;
- shortening voting hours;
- long lines because of closing some polling stations;
- phone harassment and misrepresentations; and
- limiting voter registration opportunities.

Many of these are violations of the *National Voting Rights Act* and should be addressed by Congress.

Campaign Finance Reform:
Access and Transparency

The League testified in support of two campaign finance issues March 25 in House Rules.

HB 2018 (testimony) requires transparency in reporting what are known as independent expenditures in political campaigns through ORSTAR, the Secretary of State's electronic reporting system for reporting campaign contributions and expenditures. This will allow citizens to continue to follow who is supporting or opposing candidates and measure campaigns, but now adds the names of those who provide money outside of official campaign committees, such as media ads or brochures independent of the campaigns.

HB 2419 (testimony) mandates reporting of contributions of $1000 or more within 2 days of receipt during the 14 days prior to an election. This speaks to the voter's right to know and shortens the seven day time period to two. We joined OSPIRG in requesting that the reporting deadline of 42 days before an election be kept at seven, rather than lengthening it to 14 as is in the bill.