Legislative Report

June 26, 2013

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Yay!!! Public Safety Goes to House Floor

HB 3194A passed out of the Joint
Committee on Public Safety and now
goes to the House floor, then the Senate floor for votes.
Thanks to all of you who contacted members of the
committee and urged them to support this bill. See League
Action Alert.

We still need your help again to get this bill passed.

Please contact your <u>legislators</u> and encourage them to vote for <u>HB 3194A</u>. It puts effective practices and cost savings into the corrections system, but no M 11 changes. A Task Force will be set up to consider Juvenile system changes with a report in 2016. Also, please ask them for an earlier report date for the 2015 Session.

We can get this bill passed with your help!

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Governance

June 28th Sine Die: Reachable?

As the House and Senate daily adopt state agency budgets and consider policy bills, the undercurrent in the Capitol swirls around the main question: Has an accord really been reached on the 2013-15 biennial budget?



Kappy Eaton, Governance Coordinator

There are a number of budget puzzle pieces yet to be put in place, although most of them have now been identified. It

is questionable whether or not the consensus on the "grand scheme" can be reached by next Friday, June 28th, the scheduled date for adjournment. Smaller issues to be finally resolved are:

- 1. agreement on tax cuts for small businesses;
- 2. caps on total tax deductions from state income taxes;

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- 3. slightly increased tax rate on large corporations;
- 4. small increase in state tobacco tax;
- 5. reduction in Oregon's senior medical tax credit.

These would generate about \$200 million.

Still to be decided is the additional amount to come from PERS reform, now pegged at around \$800-\$900 million from reductions to cost-of-living (cola) benefits and no colas to out-of-state retirees who do not pay any Oregon income tax. The additional revenue probably would come from inactive retirees and the money match agreement. Also in the mix is the critical passage of the health care provider tax, which generates about \$2 billion in essential revenue.

The General Fund budget proposed by the Governor and echoed in the Ways and Means Co-chairs 2013-15 budget is roughly \$16 billion, with \$6.55 billion earmarked for K-12 public education. The additional \$200 million, noted above, could increase that figure to improve the support for all education levels, including higher education and community colleges. The Senate Finance and Revenue committee also moved HB 2456A, which provides an additional \$16 million for mental health programs through recovery of taxes from corporations with income from other entities now not taxed as Oregon income.

As of this writing, the school and provider tax bills are scheduled for chamber votes on Wednesday, June 26th. It is uncertain if the final agreement will have been reached by that time. Legally, the Legislature can stay in session until July 13. Any bets? See sidebar, Legislative News Update.

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Challenged Ballots: Transparency and Efficiency

HB 3344A, which defines "challenged" ballots and outlines the process for county election officials and voters to deal with them, moved quickly through House Rules and passed the House itself on June 21st with no opposition. The bill extends the time a voter has to correct and verify the problem from 10 to 14 days. It now requires a hearing in Senate Rules.

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Voter Registration Issues: Denial and Intervention

League Links

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Legislative News Update

June 26 Two key priority budgets passed in the Senate today

K-12 Budget

SB 5519A

passed 22-8.

The budget now goes to the House where it is expected to pass.

See Oregonian article

Provider Tax Assessment HB 2216B Unfortunately for the serious and enthusiastic young people, along with the League (testimony), the Bus Project, Common Cause and others who supported HB 2988A allowing 16-year-olds to register to vote when they get their drivers' license, the proposal has died in the Senate. It had passed the House several weeks ago on a 35-25 vote, but came out of Senate Rules on a 3-2 party line vote.



When it appeared that the Ways and Means General Government Subcommittee was not going to move HB 3521B, the Secretary of State's priority automatic voter registration measure, the Senate President temporarily removed one committee member and broke the committee tie. It will now go to the Senate floor. The Secretary views the bill as an alternative to "same day" registration, formerly allowed in Oregon and currently in 12 states. As many as 500,000 new voters could be registered in the next few years, and opponents cite increased county election costs for larger ballot mailings and staff time for checking ballots of additional new voters. There could be state costs of about \$300,000 in handling and the mailing of the cards to new registrants for acceptance, rejection or party affiliation that would be covered with federal funds.

Supporters believe <u>HB 3521B</u> will pass the House, but given the close vote in the subcommittee, its fate in the Senate is less certain. The League submitted a floor letter in support.

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Citizens United: House Victory

HJM 6A, a memorial to Congress requesting that a federal constitutional amendment be sent to the 50 states for ratification to undo the Supreme Court decisions in several controversial cases, including *Citizens United v. FEC* (2010), passed in the House on June 21st, on a 48-11 bi-partisan vote. Fifteen states have already sent messages to Congress, as have many Oregon communities, including Ashland, Baker City, Beaverton, Coos Bay, Corvallis, Eugene, Lincoln City, Newport, Portland, Port Orford, Silverton, West Linn, and Yachats. The Senate Rules committee is scheduled to discuss it June 25th.

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O&C Counties: Fiscal Assistance Update

HB 3453 has 11 proposed amendments and is still stuck in

passed 25-5.
It is on the House desk awaiting enrollment

See <u>statement</u> by Governor Kitzhaber

Protect Oregon Rivers



SB 838A

suspends
suction-dredge mining
Tell <u>Legislators</u> to
stand up for Oregon's
Scenic Rivers
Tell them to

Pass SB 838A

Urgent Action Needed Now

> LWVOR Action Alert

It's Time for Oregon to Pass

The National Popular Vote Interstate Compact

HB 3077

It is sitting in the Senate Committee on Rules

Contact your
Senator
to help get this bill
passed
Help move Oregon
forward.
See LWVOR
Action Alert

Drinking Water Volunteer Needed

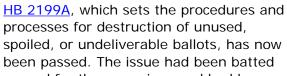
The League is looking for a volunteer to serve on

House Rules. It is the major legislation for allowing the Governor to proclaim a county in imminent danger of a fiscal crisis caused by the inability to provide an adequate level of public safety. While all of the amendments have been discussed, none have passed. No action is showing for the committee.

Two of the bills proposed to assist counties facing public safety fiscal emergencies have passed both chambers, SB 496 and SB 581. Two others, HB 2206 and HB 3404, have been sent to the Senate floor with a do pass recommendation. SB 496 deals with the expenditure of county road funds related to public safety patrolling for direct and indirect costs, and SB 581 extends the sunset date for state intervention in county fiscal distress, originally passed in 2012. HB 2206A and HB 3404 that give election powers to the Secretary of State and the ability to receive assistance payments from the County Assessment Function Funding Assistance Account respectively, have both passed the House. They were sent to the Senate floor after the work session on June 24th.

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Ballot Security: Secured





around for three sessions and had become a partisan problem, primarily viewed as not tight enough by the opponents. The enacted measure provides for video surveillance in every county election department area, the length of time such ballots are to be kept, and how they are to be stored. If there is a continued perception of non-compliance, it may be there again in 2015.

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University Governance: Graduation Delayed

SB 270A is still awaiting action in the Ways and Means Education Subcommittee where it has been languishing for weeks. Although the measure addresses the ability of the four regional universities (Southern, Eastern, Western and Oregon Institute of Technology) to have institutional boards of directors like the University of Oregon and Portland State, the presidents now are concerned about state oversight, support and the continuance of a working public higher education system. The proposed Higher Education Coordinating Commission and the Oregon Education

the state's Drinking Water Advisory Committee

The committee meets quarterly and provides advice to the state on policies related to the protection, safety and regulation of public drinking water in Oregon.

If this is of interest to you or you would like more information contact Peggy Lynch at zuludar@aol.com

Support the Action Committee!



Please show your appreciation of the Action Committee and the Legislative Administrator by making a donation to

LWVOR

It is your support that makes it possible to carry out this advocacy work at the Legislature





Volunteer to work on issues for the 2013
Legislative Session
It's exciting!
Contact the
LWVOR Action Team

Bill Update

June 26th **2,672**

Investment Board and their outlined responsibilities for the system are being questioned.

The League has not been able to address this proposal because our post-secondary position only deals with the current university system and the need for coordination between the universities. Our newly adopted study of the higher education system, should give us more insights into the problems and solutions for Oregon's public universities.

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Campaign Finance: Electronics

There was a work session on <u>HB 3523A</u> scheduled in the Ways and Means General Government Subcommittee on



June 24th that was cancelled. This is the bill that would require all independent campaign expenditures to be filed electronically. It would provide better access and transparency for the public as to who supports and opposes candidates and measures. Hopefully, it will appear later this week.

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NPV and CIR: Survival?

After a very successful vote in the House, the National Popular Vote (NPV) statute, <u>HB 3077</u>, has languished in the Senate Rules committee despite concerted efforts to obtain a public hearing. (See <u>sidebar</u> and continue to call your <u>Senators</u> and tell them to pass this bill) See League testimony.

Also seemingly stuck in the Ways and Means General Government Subcommittee is HB 5004 which deals with continuation of the Citizens Initiative Review (CIR) Panel Commission, enacted in 2011 and successfully implemented in 2012 General Election. It has no fiscal impact, and the two co-chairs of the committee assured us it would be heard and then cleared to go through the House and Senate committees. Time is running out for these League-supported bills.

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Natural Resources

measures introduced

869
bills
passed by the
Oregon House
755
bills
passed by the
Oregon Senate
and
the Governor has signed
482
bills
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to see the bills

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Youth Camps on Ag Land

HB 3098A had a public hearing in Ways and Means Natural Resources
Subcommittee last week. Although the bill is no longer specifically about the Young Life camp expansion in Wasco and Jefferson Counties, most of the testimony was focused on how this new land use provision of allowing youth camps on any Class VI, VII or VIII soils in Eastern Oregon would allow Young Life



Peggy Lynch, Natural Resources Coordinator

to add 4 more camps with 1,500 overnite beds and other amenities.

The League has expressed concern to legislators that, without knowing how much of Eastern Oregon is comprised of those soils and what the affect this law might have on valuable irrigated farmland or grazing land, the legislature should consider placing sideboards on the approval. We also suggested that the discussion would be better held during the rulemaking process, where a wide variety of concerns could be addressed. The Warms Springs Tribe has offered an amendment to assure they have access to important cultural lands where the women gather roots. Neighbors have submitted testimony in opposition. We are hopeful, if the bill is passed, it will be further amended to address our concerns.

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Aggregate on Farmland

HB 2202A was given a public hearing in Ways and Means Natural Resources subcommittee on June 24th. The League has been a supporter of preserving our most



valuable farmland in the Willamette Valley for a number of years, and we testified in support of a compromise bill that is currently being negotiated by the Farm Bureau and Oregon Concrete and Aggregate Producers Association (OCAPA). The discussion has moved from conducting alternatives analyses for siting aggregate mines to setting depth requirements for future mines. The purpose is to go deeper rather than wider at mining sites. We will see if 2013 is the year a law passes.

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Reorganizing Community and Economic Development HB 2620A had a public hearing in Ways and Means Transportation and Economic Development. The League submitted testimony again in support of this government efficiency so long as there is a robust public participation plan. The bill now has a fiscal of \$200,000 General Funds to be awarded to the Department of Administrative Services. Without public involvement in this proposed reorganization, the results might be less positive and future support is less likely. This exercise is linked to the Regional Solutions process.

A work session was set for June 24th. We are hopeful that no further amendments are adopted and enough money is awarded to provide robust public involvement.

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Industrial Lands Get Unfunded Loan Fund

The League had opposed <u>SB 246A</u> as yet another business giveaway



without enough sideboards to prevent its abuse and without guarantees that new jobs would result. The Ways and Means Subcommittee on Transportation and Economic Development adopted -16 amendments that, according to one of its chief sponsors, Representative Tobias Read, "addresses the concerns that the program needed sideboards so the state would not be on the hook for an unknown amount of money or for an amount that might unpredictably change." The amendments include the following factors:

- Sunsets the program in 10 years; no new agreements after (July 1, 2023).
- Caps the program at \$10 million per year.
- Requires Business Oregon to establish performance measures for the program.
- Sets time periods for revenue reimbursement option.
- Prevents a liable party from receiving program funds for environmental remediation of a Superfund site.
- Requires that new hires at eligible sites must be Oregon residents and that compensation must be at least 150% of the lesser of the county or state average wage.
- Limits a project to either revenue reimbursement or loan forgiveness, not both.

The bill now sets in place a grant and forgivable loan program. The League will certainly be monitoring this effort should it be provided with funding in the future.

Energy

Down to the Wire

The Natural Resources energy report this week is a very short one: As of this writing, several energy bills still remain, and only the Oregon Department of Energy budget bills made any progress since the last Legislative Report.



Theresa Gibney. Natural Resources Volunteer

Neither HB 2894C (alternative fuel fleets tax credits and other minor changes) nor HB 2435A (providing a biodiesel tax exemption) has been posted for a vote on the Senate Floor.

SB 306A (the clean air/carbon tax study bill) is scheduled to be worked in the Natural Resources Subcommittee of Ways and Means, and SB 844A (voluntary carbon reduction programs by natural gas utilities) will be heard and worked in Senate Rules. Both were scheduled for June 24th.

SB 488, the Clean Fuels Bill, is beginning to surface again. Stay tuned for a potential action alert to get <u>SB 488</u> passed out of the Ways and Means Committee to the floor.

These bills are unlikely to just fade away, so it's coming down to the wire!

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Two Down and More Than One to Go

The Oregon Public Utility Commission (PUC) budget, HB 5043A, has been signed into law, and HB 3301C, the first of two electric vehicle charging bills, has been signed by the Governor. Three bills passed out of the Joint Ways and Means on Friday, June 21st:



- the Oregon Department of Energy (ODOE) budget bills (HB 5011A and HB 5012A), which addressed operating budgets and fee structures;
- the Oregon Innovation inInfrastructure bill (HB 2345B), which creates a task force to determine what laws will need to be modified and what authority structures would need to be created to allow Oregon to continue to collaborate with other West Coast

- states/provinces in attracting private and public capital to infrastructure projects; and,
- an ODOE charter/housekeeping bill (HB 2807B) which creates a legal requirement for existing ODOE stakeholder processes, clarifies that ODOE should continue to be the home of the Energy Facility Siting Council, and that the Jobs, Energy and Schools Funds may be used to subsidize interest rates on energy efficiency loans.

All three bills will join the queue waiting for votes on the House or Senate floors. As mentioned in previous reports, the end of session lottery bill must also pass to finalize/complete the ODOE Budget.

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Social Policy

Oregon Health Authority Budget Tops \$15 Billion

The final Oregon Health Authority (OHA) Budget, <u>HB 5030</u>, was passed by the Ways and Means Human Services Subcommittee on June 18th. The agency spending authority totals over \$15 billion dollars for Medical Assistance, Employee Benefits, Public Health and Addictions and Mental



Karen Nibler, Social Policy Coordinator

Health. The General Fund is only \$2 billion, Lottery Funds are \$10.5 million, and the majority is \$7.5 billion in Federal Funds, and \$5.6 billion in Other Funds. The Affordable Care Act (ACA) is providing federal funds to operate the health care reform efforts. The inclusion of the employee benefit programs brings Other Funds into this budget.

The Oregon Medical Assistance Program (OMAP) contains \$9.7 billion of which \$6.67 billion is federal funds for health care administration and delivery. The ACA will expand health coverage under Medicaid to all persons under 138% of the federal poverty level. Disabled adults and dependent children were already covered, but the expansion will include many adults who have not had medical insurance. The cost will be covered completely by federal funds for 3 years from January 1, 2014 through 2016.

The Coordinated Care Organizations (CCO) will assume the delivery of physical health care for Addictions and Mental Health clients and Aged and People with Disabilities patients. Programs for Healthy Kids Connect, the subsidized health insurance program, Family Health Insurance Assistance, also subsidized insurance, and some Medical Insurance Pool clients will be transferred to this new Medicaid program. Those with higher incomes will be referred to Cover Oregon, the Health Insurance Exchange, for options. The Office of Private Health Partnership will continue while the above changes evolve.

Budget Notes order the Oregon Health Authority (OHA) to report to the 2014 and 2015 Legislative Sessions on the use of the Health System Transformation funds. OHA will establish a process for awarding these funds. Each CCO will be eligible for \$1.25 million up to \$4 million based on average monthly membership. Metrics for quality services, electronic medical records and claims processing systems are expected.

HB 2118B established a work group from the Oregon Health Authority, Oregon Educators Benefit Board, Public Employees Benefit Board, and Cover Oregon to analyze strategies for better systems of care with the goal of better health outcomes and lower costs for Oregon Educators Benefit Board (OEBB) and Public Employees Benefit Board (PEBB) members. Cover Oregon was directed to provide staff support and report back to the 2014 session with a final report to an Interim Committee by May 31, 2014. This bill had a public hearing June 6th and passed on June 17th from the Human Services Subcommittee.

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Public Health Program

This Program Budget totals \$512.6 million for environmental health investigations, communicable disease testing and control, contraceptive care, women and children's heath, immunizations, school based health centers, and prevention programs. The program operates with 707 staff positions.

This budget will be decreased by \$1 million for contraceptive care because many clients will be served under the new Affordable Care Act expansion and insurance options programs. The program receives medical marijuana program fees and emergency medical services fees. The Tobacco Master Settlement will contribute \$4 million additional funds for tobacco prevention and cessation programs.

The division recently requested permission to apply for a federal grant for Maternal and Child Care home visiting

programs. They had prior federal grants for Healthy Start and Early Head Start and Nurse Family partnership programs. The current home visiting programs serve only 15% of population. The new grant would expand to five high-need counties. This program will coordinate with the Early Learning Division and share data and outcomes.

Legislators asked about the demographics of the population served and the metrics for services. Public Health was asked to come back in the Interim to report on the plan and outcome measurements before the grant is implemented.

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Additions and Mental Health Expands Services

The Division Budget was set at \$1 billion for this biennium, with a majority of General Funds for the operation of the Oregon State Hospital.

Three residential treatment homes are planned for the Eastern Oregon Training Center, and the Blue Mountain and Portland hospitals will be closed. The Junction City facility will be built and is scheduled to operate the last 3 months of the biennium. The Oregon State Hospital in Salem will face reductions in administration, a closure of a geriatric unit, a restructured pharmacy and a decrease in staff overtime.

The budget adds \$26.6 million for the community mental health system. The Affordable Care Act expansion will provide Medicaid coverage for a significant number of clients.

Addictions and Mental Health (AMH) staff responded to the request for input for community investments prior to the final budget adoption. The staff recommended family therapy, and a psychiatric access line for pediatric consultation. Community residential placements and supported housing were on the list, as well as supported employment. The recommendations included funding of community mental health facilities for adults and geriatric beds in less restrictive settings. Other options were crisis response services and jail diversion programs. The League testified on this section of the Oregon Health Authority (OHA) Budget because of the community needs that demanded services.

Budget Notes for AMH ask OHA to report during the Interim by September 2014 on the details of specific

program investments, with the additional funds and the expected outcomes. The second note asks OHA to submit reports to the 2015 Legislature on the OHA response to the 2013 Report on Senior and Disability Mental Health and Addictions. Specifically the legislators asked for a report on access for this population, increased capacity to serve seniors and people with disabilities, and best practices for dual eligible clients. The note also included public awareness of issues, geriatric training for professionals and the role in the Coordinated Care Organizations (CCO) and long term care systems.

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Administrative Shared Services

When the Department of Human Services split into two agencies, Department of Human Services (DHS) and Oregon Health Authority (OHA), they retained a common administrative structure for financial services and technology infrastructure. This Division is supported with \$499.7 million from the OHA Budget and employs people in 657 positions. There are additional budget allocations for the Private Health Partnerships and the two employee benefit programs. All these budget documents from the Legislative Fiscal Office are on the Legislative website.

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Affordable Care Act Enabling Legislation

The Health Care Committees have passed bills which were enabling the larger health care transformation to take place. These bills were HB 2091A, which transferred children enrolled in private options to the expanded medical assistance program when family income was 200 - 300% of the federal poverty level. HB 2240B updates the Insurance code and eliminates obsolete programs. HB 2859A requires the Oregon Health Authority to provide grants to Coordinated Care Organizations for pilot projects to improve patient engagement and responsibility for their own health. HB 3458A terminates the Oregon Medical Insurance Pool and establishes a Reinsurance Program to supplement insurance benefits.

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The Future of Public Health Services

HB 2348A creates a Task Force on the



regionalization and consolidation of public health services. The Task Force is required to submit a report by October 1, 2014, to an interim Health Care Committee. This bill was passed out of Ways and Means Human Services.

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School Based Health Centers

SB 436A requires Coordinated Care Organizations (CCO) to include school based health centers in its community health plan. Federal grants have established school-based health centers in some counties already. Since more children will be covered under Medicaid, the centers will be more viable. This bill asks CCOs to work with the Early Learning Council, Youth Development Council and school health providers.

HB 2445A requires the Oregon Health Authority (OHA) to adopt rules for certification, suspension and decertification of school-based health centers, assist school-based health centers with business practices, and facilitate the integration of policies and programs at the local level. The bill also asks OHA to convene a work group to develop recommendations for the use of these health centers for children on Medicaid. OHA is to report to an interim health committee before December 31, 2013.

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Universal Health Care

HB 3260A, the Health Care Study bill, was approved by the Ways and Means Human Services Subcommittee on June 24th, the last day of that committee. The bill was amended to require the study be done by an entity outside the Oregon Health Authority with donated funds, and that the sales tax option be eliminated from the study. LWVOR was encouraged to support this bill by Health Care Advocates but did not support the original bill. LWVOR wrote a letter to the advocates which included our position. The latest version of the bill addressed some of our concerns.

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Cultural Access to Health Care

HB 3407A proposed that patients have access to traditional

health workers. HB 3650 last session required cultural care. This bill creates a Traditional Health Workers Commission to define criteria and education for health care workers. The bill had a public hearing on June 17th in Ways and Means Human Services. No one spoke against the bill, but it is not likely to pass this session. Comments reflected that the bill needs more work. Last session a similar bill died in committee.

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