

2010 Special Session Summary

Prepared for the Volunteer Firefighters
Association

by

Genoa Ingram, OVFA Executive Director

March 8, 2010



March 8, 2010

MEMORANDUM

TO: OVFA BOARD OF DIRECTORS
FROM: Genoa Ingram, OVFA Executive Director
RE: Summary of Legislation – 2010 Special Session

Overview

The 2010 Special Session convened on Monday, February 1, and adjourned on Thursday, February 25. Following is a brief Executive Summary of key legislation. A complete tracking report is attached, including notes on bills of particular interest.

What is also interesting is what failed to pass: a number of bills were introduced to examine the State's taxation and/or program structure, create a reserve fund, or modify the kicker statute. None of those proposals passed.

Summary of Legislation – Bills Passed

SB 996 expands protection under the public employee Whistleblower Law to include discussions with members of elected governing bodies of political subdivisions and discussions with elected auditors of cities, counties, or metropolitan service districts.

SB 5015 broadens the definition of a proposed taxing district boundary change to include a change that has not become final or effective on or before March 31 and that is subject to voter approval in an election held before July 1 of the same year and becomes final or effective before July 1. (Currently a proposed taxing district boundary change means a change that has not become final or effective by March 31, but that is certain to become final or effective prior to July 1 of the same year.)

SB 1033 and SB 1006 each expand requirements for placement of automated external defibrillators (AEDs). SB 1033 requires each school campus to have automated external defibrillator on premises. SB 1006 modifies circumstances under which the owner of a place of public assembly or health club is required to have automated external defibrillator on premises.

SB 1045 prohibits use of credit history for employment purposes in certain circumstances. However, there is an exception for public safety officers who are members of a law enforcement unit, who are employed as a peace officers commissioned by a city, port, school district, mass transit district, county, Indian reservation, the Criminal Justice Division of the Department of Justice, the Oregon State Lottery Commission or the Governor and who are responsible for enforcing the criminal laws of this state or laws or ordinances related to airport security.

HB 3606 allows the sponsors of enterprise zones to temporarily suspend the minimum employment requirement due to severe economic conditions. It also allows sponsors to extend eligible period of property tax exemption of qualified property up to two additional years. The bill applies to property tax years beginning on or after July 1, 2009 and has minimal economic impact.

HB 3617 allows an existing special district or county service district to continue to provide services for newly incorporated cities if petitioners propose and voters approve of the continuance of service. The bill was amended to address a conflict between the City of Milwaukie and Clackamas County over sewage treatment rates.

HB 3640 requires county assessors in counties with populations of more than 340,000 to cancel property tax assessments for manufactured structures if the total assessed value of all manufactured structures taxable as personal property of the taxpayer is less than \$12,500. According to the Population Research Center, Portland State University, as of July 1, 2009, four counties in Oregon have populations exceeding 340,000:

Multnomah	724,680
Washington	527,140
Clackamas	379,845
Lane	318,170

The Legislative Fiscal Office has determined that the fiscal impact on local governments will be minimal.

HB 5100 represented the primary budget rebalance bill for the 2010 February session. Two items are of particular interest to the public safety community:

First, the legislature voted to reduce the Oregon Government Ethics Commission's (OGEC) budget by \$200,000, with the understanding that the Commission will reduce its assessment on state agencies and local government entities for the 2010-11 fiscal year. The reduction was part of HB 5100, a budget rebalance bill, and brings the Commission's revenue more in line with its expenditures.

The assessment, enacted during the 2007 regular session as part of SB 10, was suggested by the League of Oregon Cities as an alternative to a \$5.00 fee for each public official serving a public body. SB 10 required that 50% of the total assessment was to be from state agencies and 50% was to be derived from local government entities based on the scaled fees paid to the Secretary of State under the Municipal Audit fee structure. The purpose of the assessment is to fund the Commission from monies other than General Fund dollars.

Following the first billing notice sent out by the OGEC in July 2009, a number of local government entities expressed concern about the billing due to the fact that it was an unbudgeted expenditure and many local governments lacked the funds to pay.

Second, HB 5100 contained funding for the Oregon Interoperability Project (OWIN). Over the past three years, the Legislature has approved over \$340 million in Certificates of Participation (COPs) and Oregon Department of Transportation (ODOT) revenue bonds for the Oregon Wireless Interoperability Network (OWIN) project, demonstrating the Legislature's commitment to the project. The Legislature's request of the Department of Administrative Services (DAS) to unschedule a portion of this financing as described below should not be viewed as a lack of this commitment. Instead, by making funds available when required, the intention is to secure the long term success of the project by ensuring that an independent quality assurance presence is part of the plan for the project.

In addition, the Legislature's approval of transferring the project from the Oregon State Police to ODOT provides crucial project management and construction related expertise and experience to this large and complex project. House Bill 3696 includes language to transfer OWIN to ODOT, including appropriations, expenditure limitation authority and positions. The actual amount of the transfer will depend on the date of House Bill 3696's passage.

The Joint Ways and Means Committee recommended that DAS unschedule all of the Other Funds expenditure limitation associated with the Certificates of Participation authorized by the Legislature in 2009 for OWIN and all but \$8 million of the Other Funds expenditure limitation tied to the ODOT revenue bonds authorized by the Legislature in 2009 for OWIN until the Executive Branch has an independent quality assurance (QA) presence in place and the first report is made available to DAS, the OWIN Steering Committee and the Legislative Fiscal Office (LFO). The focus of the quality assurance should be on the project management office, project management and performance, assessment of the internal construction related quality assurance and control processes, and assessment of the processes related to the transition from the development/construction phase of OWIN to the operational phase. If this quality assurance report determines that there are any issues with the project management and other areas under review in the quality assurance process, these issues must be addressed prior to the rescheduling of the funds.

If it is determined by the Executive Branch that further expenditure limitation needs to be rescheduled to access the working capital loan with the Oregon Department of Treasury, beyond the \$8 million of revenue bond limitation detailed above, the Other Funds expenditure limitation may be increased by the appropriate amount after consultation with the Budget and Management Division of DAS and the LFO.

Summary of Legislation – Bills Failed

SB 1050, known as the “Buy American” legislation, would have prohibited public bodies from providing public subsidies for the purpose of constructing, reconstructing, renovating, altering, maintaining or repairing, or entering into a contract to construct, reconstruct, renovate, alter, maintain or repair structures on real property unless the iron, steel and manufactured goods used in the structure were made within the United States.

HB 3638 would have prohibited former legislators from taking positions as public officials in state government and from receiving salary for performance of duties as a public official for one year after leaving the legislature. A similar bill, HB 3671, would have allowed for exceptions if recruitment for a position was advertised to the public, qualifications would not include legislative service, and a minimum number of applicants were considered.

HB 3648 provides that counties and metropolitan service districts may not designate additional land as urban reserve until at least 50 percent of previously designated urban reserves have been included within urban growth boundary of the district.

HB 3676 removes a mandate from 2009 HB 2001 which inadvertently carried forward a requirement from Connect Oregon II to pay for a multimodal study. HB 3676 is important to the public safety community because it clarified another law passed in 2009 relating to the “Move Over” law. HB 2040 from the 2009 session expanded Oregon’s “Move Over” law, (created by the passage of HB 2176 in 2003), to also apply the law to tow trucks and other roadside assistance vehicles. HB 2040 also clarified that a vehicle must either move to a different lane or slow to at least five miles per hour below the posted speed limit in order to comply. However, there are roads in Oregon where there is no posted speed limit. House Bill 3676 clarifies that compliance requires vehicles to slow down at least five miles per hour below the speed limit established in ORS 810.111 or a designated speed posted under ORS 810.180.