

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: 4/10/24 **Approx. Start Time:** 10:00 a.m. **Approx. Length:** 30 mins
Presentation Title: 2024 State Legislative Session Review
Department: Public and Government Affairs
Presenters: Tonia Holowetzki, Trent Wilson

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

This is an informational update on Clackamas County's advocacy and accomplishments during the 2024 State Legislative Session. No action is required.

EXECUTIVE SUMMARY:

The 2024 Oregon Legislative Assembly began on February 05, 2023, and adjourned *sine die* on Thursday, March 07, three days ahead of the allowed 35 days in the state constitution for even-numbered-years, also known as short sessions. The Public & Government Affairs Department (PGA) was tasked with advancing the County's 2024 state legislative agenda, which outlined the County's key policy and funding priorities at the Oregon State Legislature. In addition to providing legislative support to the Board of County Commissioners (BCC) and county departments, PGA worked cooperatively with numerous external partners during the 2024 session to advance the County's legislative agenda. These groups included state legislators and their staff; legislative committee staff; state agency officials; various state lobby associations, including the Association of Oregon Counties (AOC) and League of Oregon Cities (LOC); and other regional and local government partners.

The attached report entitled *2024 State Legislative Session Summary* encapsulates key legislative outcomes related to Clackamas County's 2024 state legislative agenda, which the BCC approved on December 06, 2023. The County took positions on bills throughout the legislative session that were consistent with the principles and priorities outlined within the agenda.

FINANCIAL IMPLICATIONS (current year and ongoing):

PGA monitored and influenced the state legislation which provides critical funding for various county programs, including Health, Housing and Human Services programs, public safety, economic development, and key policy issues such as funding for wildfire recovery, public and behavioral health programs. Most significant to Clackamas County, the legislature approved \$15 million in state matching funds for the Replacement County Courthouse Project. Detailed funding implications can be found in the attached document entitled *2024 State Legislative Session Summary*.

STRATEGIC PLAN ALIGNMENT:

This item aligns with the Public and Government Affairs Strategic Business Plan goals to provide intergovernmental connections and relationship building, strategic policy development and messaging, legislative, advocacy, and outreach services to county elected officials and departments so they can build key partnerships to achieve policy goals important to Clackamas County, with special emphasis on the strategic results in the BCC Strategic Plan.

LEGAL/POLICY REQUIREMENTS:

N/A

PUBLIC/GOVERNMENTAL PARTICIPATION:

PGA provides support to county departments on federal, state, regional, local, and tribal relations.

OPTIONS:

N/A

RECOMMENDATION:

N/A

ATTACHMENTS:

2024 State Legislative Session Summary

SUBMITTED BY:

Division Director/Head Approval _____

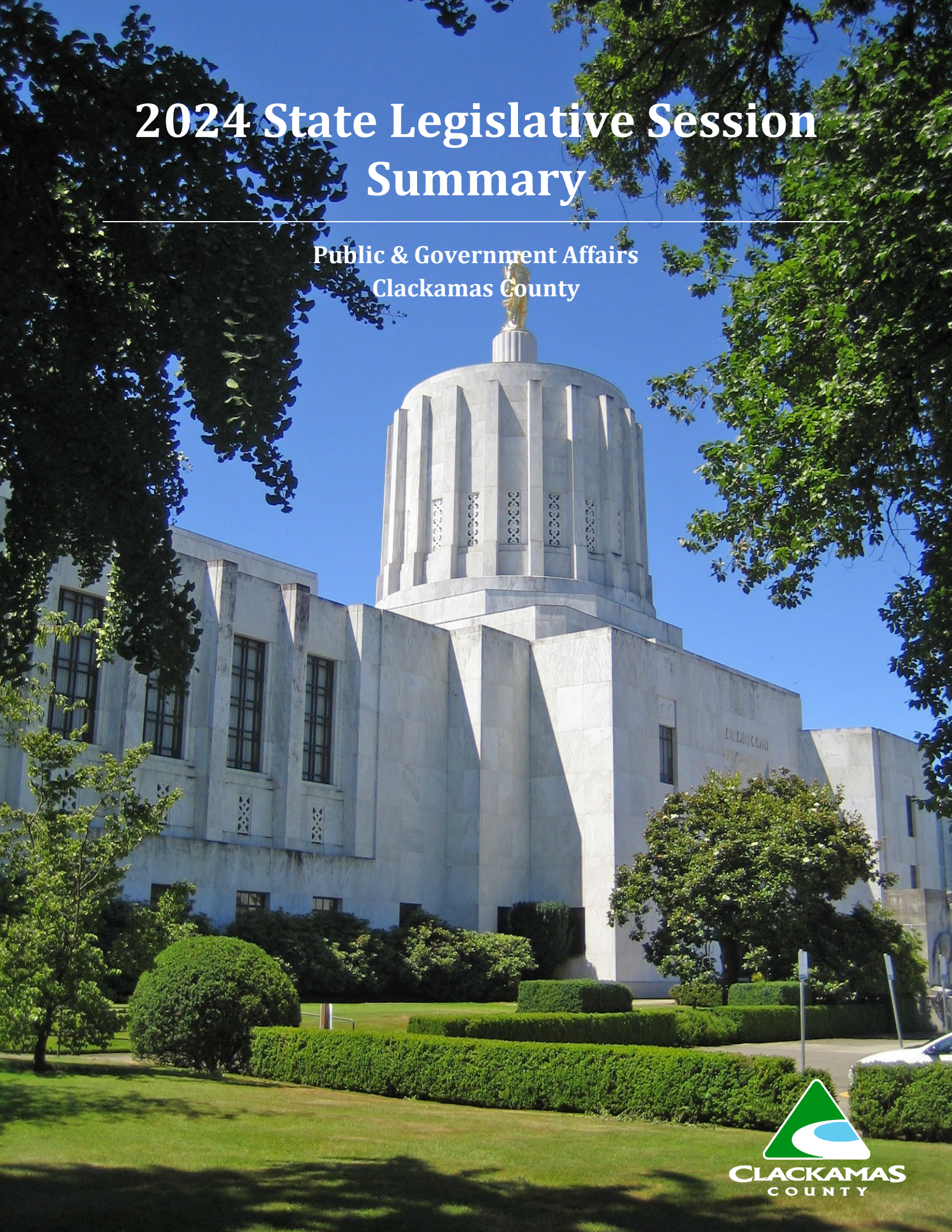
Department Director/Head Approval s/Tonia Holowetzki

County Administrator Approval _____

For information on this issue or copies of attachments, please contact Tonia Holowetzki @ 503-250-1381
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2024 State Legislative Session Summary

Public & Government Affairs
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Executive Summary of 2024 State Legislative Session

The following chart represents key legislation that was tracked by Clackamas County during the 2024 State Legislative Session, organized by their priority level. Greater detail of the bills, their impacts, and associated advocacy work can be viewed in the 2024 State Legislative Session Summary.


























County Initiatives	<i>Courthouse Replacement Project Funding</i>			
	<i>Additional Circuit Court Judge</i>			
	<i>I-205 Improvements Project</i>			
Housing Crisis	<i>Housing Planning in Metro Urban Unincorporated Areas</i>			
	<i>Housing System Development Charges (SDS) Deferral</i>			
	<i>Governor's Housing Production Goals</i>			
Measure 110 / Public Safety	<i>Examine State Problems Related to Addiction Crisis</i>			
	<i>Comprehensive Medical Services Program</i>			
	<i>Behavioral Health Cost Study</i>			
	<i>Access to Mental Health Care (I/DD)</i>			
	<i>Establishes Misdemeanor A Offense for Drug Use on Public Transit</i>			
State-Mandated and Contracted Services	<i>Authorizes Fees for Permits</i>			
	<i>Duty to Defend</i>			
	<i>Retainage for Contracts</i>			
	<i>Public Employees Retirement System</i>			
Foreclosure Surplus Claims	<i>Tax Foreclosure Surplus Process</i>			
Other Significant Legislature	<i>Task Force on Specialty Courts</i>			
	<i>Study on Medical Examiner Shortage</i>			
	<i>Study PFAS Fate and Transport</i>			
	<i>Wildfire Bills</i>			
	<i>Transportation Weight Mile Funding and Balance</i>			
	<i>Christmas tree Bill</i>			
	<i>Government Accountability and Transparency Bill</i>			
	<i>Recreational Immunity Fix</i>			
LEGEND				
				
	<i>Goal Achieved</i>	<i>Mixed Results</i>	<i>Goal Not Achieved</i>	<i>No Position/Impact</i>

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2024 LEGISLATIVE SESSION SUMMARY

2024 Session Review and Look Ahead

Introduction

Clackamas County entered the 2024 legislative session with two primary initiatives: achieve additional funding for the state match of the county’s courthouse replacement project and advance the I-205 bottleneck project while mitigating the impacts of proposed tolling programs.

On these fronts, Clackamas County was largely successful.

The 2024 session began on February 5 and adjourned on March 7, just three days ahead of constitutionally sine die. 288 bills were introduced, of which county staff throughout every department reviewed over 180 bills. PGA was monitoring or actively engaged in roughly 18 high priority bills by the end of session.

2024 Session Issues

Session Dynamics

After three years with walkouts of various severity, the Oregon Legislature convened for the 2024 short session with a promise of bipartisanship and a goal to complete their work without walkouts. The two priority issues were to advance the Governor’s goals related to housing production and address the effects of Oregon’s drug crisis following the passage of Measure 110.

Housing

Although the 2023 session saw great gains for affordable housing, the Governor made it clear that the legislature had some unfinished business to attend. The Governor sought \$600 million in investments for infrastructure and development incentives such as a revolving loan fund. Legislative leadership balked at the full amount, and in the end allocated roughly \$369 million via [SB 1537](#) and [SB 1530](#).

The bill also addressed several land use and housing policy goals, including special one-off allowances for urban growth boundary expansions to help with housing production, and the formation of a new office to monitor and support growth, named the Housing Accountability and Production Office (HAPO).

Measure 110

Measure 110 (the ballot measure passed by voters in 2020 that decriminalized possession of small amounts of drugs) was a major topic during the 2024 short session. A newly formed Joint Committee on Addiction and Community Safety Response met for the first time in October 2023. This kicked off a series of informational meetings where the committee heard from law enforcement, addiction

experts and proponents of Measure 110 as committee co-chairs Sen Lieber (D-Portland) and Rep Kropf (D-Bend) began to contemplate a new policy approach.

After weeks of discussion, a negotiated amendment came forward that made drug possession an unclassified misdemeanor and encouraged, but did not require, deflection programs in every county. 23 counties, including Clackamas, submitted letters of commitment to participate in the proposed deflection program. The plan was accompanied by a funding proposal in [HB 5204](#) that invested more than \$211 million in public safety and behavioral health initiatives. The floor debates on the bill in both chambers included hours of impassioned remarks from legislators, many of whom spoke about how addiction had impacted their lives in various ways.

Looking Ahead

The issues of housing and M110 adjustments are not over. Governor Kotek is still working hard to achieve her housing production goals and the 2024 legislative session addressed some, but not all of her funding priorities. Expect a return to this topic, with a goal to fund infrastructure that supports housing production and incentivizes development. Likewise, [HB 4002](#) has created an opportunity for a lot of changes for how people facing addictions enter recovery. Counties, through their public safety and behavioral health programs, will be given more resources than ever to support this work. But a lot of questions are left unanswered, and the new misdemeanor charge for possession doesn't go into effect until September 1, 2024, leaving roughly five months to see if this new program will produce desired results before the 2025 legislative session begins.

In addition to housing and addictions, conversations statewide are dominated by a singular question: how to solve the transportation funding cliff created by declining gas tax revenues. The Joint Committee on Transportation (JCT) will be embarking on a road show through much of the summer. The JCT co-chairs have so far expressed a desire to address the declining gas tax, place an emphasis on safety and increasing transportation modes, and funding the projects left unfinished from the 2017 transportation package – including the I-205 bottleneck. The Governor's decision to shelve the Regional Mobility Pricing Project, but only delay tolling until 2025 to give the state legislature a chance to fund the project, is a call to public partners everywhere to work together to find funding solutions moving forward or otherwise face a status quo of funding tools – including tolling.

Not to be missed is that many state legislators are running for public offices beyond the state legislature, including statewide offices and congressional seats. The Speaker of the House has changed so that former Speaker Dan Rayfield can focus on his candidacy for attorney general. Speaker Julie Fahey will be tasked in the interim to prepare for the 2025 session alongside Senate President Rob Wagner. In Clackamas, we have several freshman legislators who will defend swing seats, and

one district that will have an open race as Representative Janelle Bynum runs for Congressional District 5, presently held by Congresswoman Chavez-DeRemer.

Key Dates and Deadlines

- **May 21:** Primary Election
- **May 29-31:** May Legislative Days
- **September 23-25:** September Legislative Days
- **September 27:** Legislative Concept Request Deadline for 2025 Session
- **December 4:** Legislative Concept Draft Return
- **December 10-12:** December Legislative Days
- **December 13:** Bill Filing Deadline for 2025 Session

Clackamas Caucus

With the support of PGA, Clackamas County's state legislative delegation formed a legislative caucus in 2019 to represent diverse communities and address key issues affecting county residents. Caucus members met only once during the 2024 session to recap discussions about tolling and coordinate on courthouse funding.

Having spent a great deal of time representing the local positions on tolling, the Caucus is motivated to find and support transportation funding solutions that ensure tolling on the Abernethy Bridge is not the only toll program in the region – other than the I-5 Interstate Bridge.

Department Support and Bill Tracking

PGA both supports and relies on county departments in order to be successful during the legislative session. PGA works collaboratively with each department to designate a primary legislative liaison to work closely with department directors and ensure subject matter experts review each bill relevant to their respective department. This activity requires many hours to review legislation and amendments, craft and implement legislative strategy, and develop written and spoken testimony. 288 bills were introduced in the 2024 short session, of which Clackamas County Government Affairs staff actively tracked 180 (62.5%) related to local government. 18 of those bills were considered high priority legislation that PGA tracked closely.

In addition to providing legislative support to the Board of County Commissioners (BCC) and county departments, PGA worked cooperatively with numerous external partners during the short session to advance the county's legislative agenda. These groups included state legislators and their staff; legislative committee staff; state agency officials; various state lobby associations, including the Association of Oregon Counties (AOC) and League of Oregon Cities (LOC); and other regional and local government partners.

Looking Ahead

Spring 2024: PGA will spend the spring working with the housing and public safety teams to review the outcomes of the housing bills and [HB 4002](#) related to addictions. Likewise, PGA will work closely with the transportation team to ensure the county is prepared for discussions ahead of and related to the pending transportation package in 2025.

Summer 2024: PGA will work with local and regional partners to assess and understand transportation needs in order to participate in the transportation discussions leading to 2025.

Fall 2024: PGA will begin meeting with commissioners and departments, and begin drafting the early stages of the county's 2025 legislative agenda.

Winter 2024: PGA will work with the BCC to finalize the 2025 state legislative agenda.

COUNTY INITIATIVES

Initiatives are policy objectives that lead the Clackamas County’s state advocacy efforts. They will directly affect Clackamas County in a meaningful way, or otherwise might not advance if not for Clackamas County.

The county adopted two initiatives for the 2024 legislative session, including funding for the County Courthouse Replacement Project and the I-205 Improvements Project. Details of the work and outcomes related to these initiatives are below.

Courthouse Replacement Project			
BILL	SUMMARY	POSITION	OUTCOME
HB 5201 , HB 5701 , SB 1541	State Funding for the Clackamas Courthouse	SUPPORT	PASSED
<p>The county team met with the offices of Senate President Wagner and House Speaker Rayfield, as well as with Ways and Means Co-Chairs Senator Steiner and Representative Sanchez to explain the details of Clackamas County’s \$21 million courthouse request. While the information was well received, each member noted a tight budget for capital construction in this biennium limited to approximately \$65 million in General Obligation Bonds. Each office applauded the county’s efforts to work closely with the Legislative Fiscal Office on remaining questions.</p> <p>Senator Mark Meek made the state’s share of the courthouse costs his #1 budget priority. Senator Girod, as co-chair of Capital Construction, was another important partner. Reps Walters, Hartman and Neron also affirmed their support.</p> <p>PGA worked with Judge Steele on public testimony before the Capital Construction Subcommittee on February 16. David Moon from the Oregon Judicial Department also testified in support of funds for both Clackamas and Benton courthouse projects.</p> <p>On March 6, the Capital Construction subcommittee introduced the -2 amendment with \$15 million for the Clackamas courthouse. This constituted one third of the total General Obligation bond allocations for 2024 (\$45 million) and 100% larger than the next biggest allocation (Benton County courthouse received \$7 million).</p> <p>The remaining \$6 million in outstanding funding for the Clackamas County courthouse will be discussed in the upcoming session. The Courthouse Task Force hosted jointly by the Association of Oregon Counties and Oregon Judicial Department have placed the county’s project at the front of priorities for courthouse replacement projects.</p>			

SB 1541	Additional Circuit Court Judge for Clackamas County	WATCH	PASSED
<p>Funding was approved for an additional circuit court judge in in several counties, including Clackamas County, bringing the total number of judges in Clackamas to 12. The Clackamas judge will be hired upon completion of the county’s courthouse.</p>			

I-205 Improvements Project			
BILL	SUMMARY	POSITION	OUTCOME
N/A	I-205 Tolling	N/A	N/A
<p>The 2024 State Legislative Session hosted the Special Subcommittee on Transportation Planning (SSTP), which created multiple public testimony opportunities for concerned communities and Oregonians to provide input ahead of session, and allowed ODOT to present “deep dives” at various work sessions during the session. No decisions were made in the SSTP, and a report is expected to be produced by the committee.</p> <p>The Monday after sine die, the Governor issued a letter to the Oregon Transportation Commission that shelved the Regional Mobility Pricing Program and delayed the toll project proposed for Abernethy Bridge until after the 2025 legislative session to provide a chance for the legislature to find a different funding solution. Tolling is still very much a possibility to fund the Abernethy Bridge project if alternative funding cannot be found.</p> <p>Legislative leadership and the co-chairs of the Joint Committee on Transportation are expected to bring a transportation package to the 2025 session that will aim to accomplish various funding goals – chief among them is completing the bottleneck projects promised in HB 2017, including the I-205 Bottleneck Project.</p>			

COUNTY PRIORITIES

Priorities are policy objectives that are elevated because of their impact to Clackamas County, or that directly affect the work, residents, or businesses of Clackamas County. Priorities are often (not always) different from initiatives because of their scale or broader inclusion of other stakeholders impacted by the policies, yet still affecting Clackamas County.

The county adopted four priorities for the 2024 short legislative session: (1) advancing policies to address the housing and homeless crisis and supporting a regionally balanced approach to land availability and readiness; (2) supporting action to address the impact Measure 110 has had on public safety, homelessness, and our communities, and pursue funding for recovery oriented system of care; (3) supporting legislature that provides full cost and predictable revenue for local government; (4) supporting legislation that creates a standard statewide process for county foreclosure surplus claims. Details of the work and outcomes related to these priorities are below.

Housing Crisis			
BILL	SUMMARY	PRIORITY	OUTCOME
HB 4063	Housing Planning for Needs of Metro urban Unincorporated Lands.	OPPOSE	PASSED
Clackamas County opposed HB 4063 unless amended to include dedicated funding to perform the work required in urban unincorporated areas (UUAs). Requires Metro counties to plan for the housing needs of Metro urban unincorporated lands. PGA worked with Senator Jama to call attention to the funding needed to perform this work and noted a commitment to see the work funded in 2025 in partnership with the Department of Land, Conservation, and Development.			
HB 4099	Housing System Development Charges (SDC) Deferral	WATCH	FAILED
Requires the Housing and Community Services Department to guarantee local government deferral of system development charges for housing developments. -1 Amendment was added to give further deferral up to one year for affordable housing development.			
Various	Governor’s Housing Project	WATCH	PASSED
Governor’s Housing Project related bills, SB 1537 , SB 1530 and HB 4134 , detailed \$376 million in investments intended to build housing and infrastructure, provide funding for homeless shelters and rent assistance and changes state land use laws making it easier for cities to build homes.			

Various land use policies were included in these bills. One was the creation of a special allowance to expand the Metro urban growth boundary under certain special conditions, up to 300 acres across entire UGB. This is a special allowance that can be approved at the state agency, and only within already designated urban reserves. The housing package also forms the Housing Accountability and Production Office, tasked advancing housing production goals and monitoring the implementation of new housing policies.

Project-specific funding allocated to Clackamas County and partners

Housing and Infrastructure

- \$3 million for Oak Lodge Water Services
- \$2 million for the Homeless Solutions Coalition of Clackamas County Navigation Center
- \$1.75 million to Lake Oswego for Habitat for Humanity
- \$1.56 million to Bridges to Change
- \$720,000 to Free on the Outside
- \$260,000 to Iron Tribe

Summary of funding overall

HB 4134: \$7.1 million in additional allocations to cities for shovel ready projects

SB 1537: \$89.5 million in total investments

- \$75 million for a new revolving loan fund to make interest free loans to local governments to help finance the production of affordable housing and moderate income housing projects.
- \$10.6 million toward the Housing Accountability and Production Office to support local governments work towards their housing production goals.
- \$3 million to the Housing Infrastructure Support Fund to provide technical assistance to small and rural cities for grant writing and other purposes.

SB 1530: \$279.6 million in total investments

- \$131 million for housing and homelessness
 - \$65 million to fund emergency shelters, Project Turnkey sites and navigation centers.
 - \$34 million for homelessness prevention services, through Oregon Eviction Diversion and Prevention and Eviction Prevention Rapid Response Programs with 30% set aside for culturally responsive organizations.
 - \$7 million to the Urban League of Portland for homelessness prevention services.
 - \$18 million to maintain and expand capacity for 27 recovery housing projects.
 - \$5 million into individual development accounts that can be used by first-time homebuyers.
 - \$1 million to Community Warehouse to support the furnishing of reused household goods to low-income residents.
 - \$1 million to Seeding Justice for education and support of tenants at risk of rent increase or possible eviction.
- \$123.55 million for housing infrastructure and production
 - \$94.3 million in direct allocation to cities for 44 infrastructure projects across the state to support shovel-ready housing production.
 - \$29.25 million for land acquisitions for affordable housing.

- \$24.5 million for healthy and safe homes
 - \$15 million to the Healthy Homes Repair Fund to support home improvements to lower energy usage and make homes safer.
 - \$4 million to the Residential Heat Pump Fund in the Department of Environmental Quality.
 - \$3.5 million for air conditioners and air filters provided on an emergency basis to at-risk individuals.
 - \$2 million to provide support for warming or cooling emergency shelters.

Measure 110 /Public Safety

BILL	SUMMARY	PRIORITY	OUTCOME
HB 4002, HB 5204	Examine State Problems Related to Oregon’s Addiction Crisis	SUPPORT	PASSED

HB 4002 created a new misdemeanor specific to drug possession that will go into effect on September 1, 2024. Before then, HB 4002 establishes a program for counties to set up a deflection program to assist with moving people into treatment programs.

Along with 22 other counties, Clackamas County submitted a letter of commitment to the Joint Committee on Addiction and Community Safety to participate in the deflection program, and thus receive 50% of formula funding to set up our local deflection program. Advanced funding is scheduled to be distributed within 60 days of the bill’s passage.

23-Hour Crisis Stabilization Center and Center for Treatment and Recovery projects.

PGA learned about the opportunity for funding shovel ready projects related to behavioral health and addictions shortly before the start of session and followed up by meeting with the Speaker’s Office to talk about Clackamas County’s 23-Hour Center. While many projects went unfunded, ours received \$4 million in general funds via HB 5204.

Additional funding for Addictions, Recovery, and Public Safety

- \$4 million to stand up a 23-Hour Crisis Stabilization Center (Specific to Clackamas County)
- \$16 million statewide to community corrections programs (Formula to Community Corrections Program)
- \$7.5 million statewide to support Aid and Assist programming (Formula to Behavioral Health Programs)
- Expedited funds to stand up a deflection program to respond to the addiction crisis (\$20m statewide)

<p>HB 4009, addressing use of drugs in public places, and HB 4036, which increases the penalties for possession of a controlled substance, both failed to make it out of the house.</p>			
HB 4081	Comprehensive Emergency Medical Services Program	WATCH	PASSED
<p>Establishes the Emergency Medical Services Program within the Oregon Health Authority (OHA) for the purpose of administering a comprehensive statewide emergency medical services system developed by the Emergency Medical Services Advisory Board and focused on emergency medical services and time-sensitive emergencies. This includes the development of state and regional standards of emergency medical care, protocols of patient transfers using EMS, training and licensing of EMS staff and EMS systems.</p>			
HB 4092	Behavioral Health Cost Study	WATCH	PASSED
<p>Establishes a statutory process and schedule for a cost study of core county behavioral health services and a workgroup to make recommendations. Requires OHA to study how much money local mental health programs, including counties, need in order to comply with state laws. Requires the group to study the impact of state laws on providers' ability to do their job. Requires the authority to compile a report of the findings from the study by January 1, 2025. Study group will include a seat for county governments.</p>			
SB 1522 A	Access to Mental Health Care	SUPPORT	FAILED
<p>Repeals statutes authorizing the involuntary commitment of an individual based on an intellectual disability (IDD). Forbids a public body from denying services for mental illness due to also having an IDD.</p>			
SB 1553	Establishes a Misdemeanor A Offense for Drug Use on Public Transit	WATCH	PASSED
<p>SB 1553 establishes a Misdemeanor A offense to use illicit drugs on public transit. It modifies the crime of interfering with public transportation to include the use of an unlawfully possessed controlled substance while in or on a public transit vehicle or public transit station. Clackamas County provides transit service on Mt. Hood and to various communities.</p> <p>The county monitored this issue ahead of session and was generally supportive of its inclusion into the initial framework of M110 legislation. However, immediately before session the issue was removed from HB 4002 and Senator Lieber provided one of her two personal bills to advance the topic. SB 1553 advanced before HB 4002, and in many ways confirmed a desire by most legislators to pursue stronger penalties to curb the addiction crisis and promote community safety. County staff monitored this bill closely, but did not need to consider a position.</p>			

State-Mandated and Contracted Services

BILL	SUMMARY	POSITION	OUTCOME
<u>HB 1566</u>	Authorized Fees for Permits	SUPPORT	PASSED
<p>Allows counties the ability to issue fees for the administration and issuance of permits within the right of way of a public road under the jurisdiction of the county.</p>			
<u>SB 1575</u>	Duty to Defend	OPPOSE	PASSED
<p>Design professionals reintroduced SB 848 (2023) referred to as Duty to Defend, now titled SB 1575. This bill removes a clause in many public contracts that protects public agencies from needing to defend the potentially faulty work of a contractor, most notably architects and engineers. Clackamas County joined AOC and many other public agencies in opposing this legislation. After the bill passed both chambers, the county joined a coalition of public agencies to request the governor veto this bill.</p>			
<u>HB 4006 A</u>	Retainage for Contracts	OPPOSE	PASSED
<p>Requires contracting agency to accept from contractors surety bonds in lieu of retainage for construction projects and public improvement contracts. This bill had a hearing on the first day of session, catching many public agencies by surprise. City of Portland worked to try to find an alternative solution, and the bill passed with an amendment that will be less damaging than the initial proposal. Public agencies can still require retainage if there is “good cause” to do so, a term which many agencies believe is vague and will create a need for future legislation on the topic.</p>			
<u>HB 4045 A</u>	Public Employees Retirement System	WATCH	PASSED
<p>Provides that district attorneys, forensic scientists and evidence technicians employed by the Department of State Police qualify as police officers under the Public Employee Retirement System. AOC opposed this bill, and due to the complexity of this issue most counties let the AOC position represent the position of all counties. Clackamas County did not weigh in.</p>			

County Foreclosure Surplus Claims

BILL	SUMMARY	PRIORITY	OUTCOME
HB 4056	Tax Foreclosure Surplus Process Following Tyler v. Hennepin County	SUPPORT	PASSED

Clackamas County joined the Association of Oregon Counties to introduce this bill and supported early iterations. Allows former owner, or their heirs or successors, to claim from the county any surplus from a property tax foreclosure. As the session progressed, it became clear this topic is unique and complicated, and opponents to the bill successfully negotiated a means to push the issue into a future session. The final iteration of this bill – which counties opposed on the basis of having the ability to do this already – was to place a pause on the sale of future surplus properties until 2026, and for the Department of Revenue to convene a work group ahead of the September 2024 legislative days to propose new legislation.

OTHER SIGNIFICANT LEGISLATION

Clackamas County tracks other relevant legislation based on a set of principles approved in the county’s annual state legislative agenda. Principles inform the county’s positioning on issues that might not be captured by the aforementioned initiatives or priorities, but still affect the communities or operations of the county.

Bill	Summary	Position	Outcome
HB 4001	Establishes the task force on specialty courts. The task force will include 2 members representing county governing bodies, one from a county with a population over 300,000 and one from a county with a population under 50,000. The bill link expands fully on the task force makeup.	WATCH	PASSED
HB 4003	Directs the Department of State Police to study the causes of and ways to address the medical examiner shortage.	WATCH	PASSED
HB 4049	Study the fate and transport of perfluoroalkyl and polyfluoroalkyl substances (PFAS) found in biosolids applied to agricultural fields. Directs the Oregon State University Extension Service and the College of Agriculture Sciences of Oregon State University to conduct this study. County staff testified in support of the bill.	SUPPORT	FAILED
HB 4133A , HJR 201 , SB 1511 , SB 1593	Wildfire bills: the Association of Oregon Counties took the lead on positions for various wildfire funding bills. While no bills passed, it remains clear that legislators seek to find a solution to fund wildfire prevention in the state.	WATCH	FAILED
HB 4165 , SB 1519 , SB 1543	HB 4165 proposed the Department of Transportation to prepare and submit a report on the statutory changes necessary to balance transportation cost responsibility between light and heavy vehicles. SB 1519 and SB 1543 proposed decreasing weight-mile taxes.	WATCH	FAILED
HB 5701	Christmas Tree Bill mentions the Courthouse \$15 million funding. Also, \$3.6 million to Clackamas Children’s Commission for Milwaukee’s Head start, \$14 million to Clackamas Children’s Commission for Marylhurst, and \$4 million to Parrot Creek for campus improvements.	SUPPORT	PASSED
SB 1533	Government Accountability and Transparency (translation of voter pamphlets into Top 10 languages). County monitored this bill. Clerk Catherine McMullen testified in support.	WATCH	PASSED
SB 1576	Extended recreation immunity by one year. Establishes work group to propose future legislation.	SUPPORT	PASSED

Appendix A

Clackamas County 2024 State Legislative Agenda



2024 State Legislative Policy Agenda

Clackamas County is truly urban, suburban, rural, and wild. We are dedicated to welcoming new residents and businesses, and committed to delivering community services that are dependable, accessible, and equitable to the public.

COUNTY INITIATIVES

Courthouse Replacement Project



Secure the full 50% match from state bonding to fund the Clackamas County Replacement Courthouse. Although steeped in history, the current courthouse is functionally obsolete, poses safety and seismic risks, and cannot accommodate our growing population. Funding in 2024 will aim to complete the state's contribution toward this project, which is on budget and on schedule to open by Summer 2025. This LEED Gold certified project will feature 16 courtrooms, 20 judicial chambers, and office space for state agencies such as the Oregon Office of Public Defense Services and the Oregon Department of Human Services.

Transportation Improvement Projects

Advocate for state action to develop a long-term transportation funding plan that addresses regional congestion, resolves bottlenecks on state highways, and mitigates diversion and impacts on local traffic. Priorities for an anticipated 2025 Transportation Funding Package include:

- Opposing tolling programs as currently proposed and ensuring policies include a commitment to revenue sharing to address needed off-system improvements, mitigate diversion, and improve safety.
- Completing the I-205 Bottleneck Project in HB 2017 and supporting local priority projects, including the Sunrise Gateway Corridor.
- Prioritizing multimodal improvements in areas with little to no existing investments.

COUNTY PRIORITIES

Advance policies to address the housing and homeless crisis, and ensure a regionally balanced approach to land use planning to meet housing and employment land goals.

Support action to address the impact Measure 110 has had on public safety, homelessness, and our communities and pursue funding for a recovery-oriented system of care that includes public safety diversion programs, such as crisis stabilization centers, mental health facilities and services, community-based prevention and intervention services, and juvenile prevention programs.

No more unfunded or partially funded mandates from the State. Advocate for legislation that provides full cost and predictable revenue, as well as reasonable liability, for local governments providing state-mandated and contracted services.

Support legislation that creates a standard statewide process for county foreclosure surplus claims in response to the Supreme Court decision Tyler vs Hennepin County.

LEGISLATIVE PRINCIPLES

Clackamas County's policy positions will be guided by the five strategic goals below.



Build a Strong Infrastructure

The county supports legislation that encourages long-term investments in major infrastructure projects to improve the quality of life of county residents. Successful legislation will ease congestion, expand travel options, enhance seismic resiliency, spur economic growth in employment, increase housing inventory, broaden telecommunication access, and promote science-based and ratepayer-minded water quality protections.



Ensure Safe, Healthy, and Secure Communities

The county supports legislation that improves the health, safety, and wellbeing of all county residents and communities. Successful legislation will support access to community assets, such as parks and libraries, and assist vulnerable populations including residents who are facing homelessness, substance abuse and addictions, behavioral health challenges, and public health threats. Legislation also should help to reduce the crime rate and recidivism, promote and sustain best practices for justice-involved individuals, improve emergency communications and disaster preparedness, and protect survivors of domestic violence.



Grow a Vibrant Economy

The county supports legislation that incentivizes businesses to grow and prosper. Successful legislation will ensure the county has dedicated resources for attracting and growing industries and workforce and has access to an adequate supply of shovel-ready employment lands to expand economic development opportunities.



Honor, Utilize, Promote & Invest in our Natural Resources

The county supports legislation that ensures effective and sustainable management and conservation of our abundant natural and agricultural resources. Successful legislation will stimulate and preserve the integrity of our natural resource-based economy, reduce and sequester carbon emissions, and adhere to the public process of Oregon's land use system.



Build Public Trust through Good Government

The county supports legislation that enhances the county's ability to deliver effective, reliable, and equitable services to county residents. Successful legislation will maintain the county's financial sustainability, allocate sufficient resources for county programs, preserve state and county shared revenue agreements, support county efforts to attract and retain qualified employees, and ensure adequate community engagement. Legislation also should not impose unfunded mandates, preempt local tax sources, or restrict local government authority.

Appendix B

Policy Statements, Letters, and Factsheets

Resources Needed for Successful Community Restoration



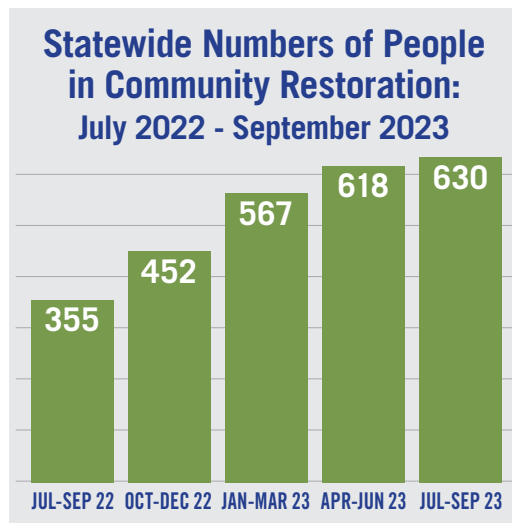
All individuals who have been accused of a crime, but who are not well enough to aid and assist in their own defense, deserve access to the full range of restoration services in their local community. Statewide, Community Mental Health Programs (CMHPs) provide essential behavioral health services on behalf of the State of Oregon, including community restoration. These are services that are required by law to be provided to individuals who have been found to be unable to “aid and assist” in their own defense due to mental illness or a substance use disorder. These include things like: care coordination, housing if available, legal skills training, monitoring and direct client assistance. Many of these services are not reimbursable by Medicaid and must be covered by general funds.

CMHPs currently receive \$22M biennially from the state to provide these required services. Unfortunately, due to increasing caseloads, this funding does not meet the need. **An additional \$7.5M/year is needed to cover the gap between the state’s current investment and the cost of providing services to all individuals in need of community restoration statewide.**

Federal Rulings, Soaring Caseloads

Historically, individuals were sent exclusively to the Oregon State Hospital for restoration services, removing them from their communities and requiring them to live in an institutional setting.

Due to the expense of this often unnecessary hospital level of care, the state developed a pathway for individuals to receive restoration services in their local communities, provided by CMHPs since 2019.



In the last year, caseloads have skyrocketed in large part due to a federal court order (from Judge Michael Mosman) that

Continued on next page...

Contact: [Laura Curtis](mailto:laura@nwpublicaffairs.com) | laura@nwpublicaffairs.com | 541-280-9984



ASSOCIATION OF OREGON COMMUNITY MENTAL HEALTH PROGRAMS

Resources Needed for Successful Community Restoration

AOCMHP

(Continued from page 1)

limits the amount of time people can stay at OSH according to their criminal charge and an increase in the number of people entering the Justice system. When individuals reach the Mosman time limit or do not meet the criteria for hospital level of

care, they are released from the hospital and sent back to their local community. The majority of these individuals are still in need of services and the responsibility to provide those services then shifts from the state to CMHPs. This change in policy has caused community restoration caseloads to double and even triple in some communities while funding has remained stagnant. **It is critical to the wellbeing of these individuals and our communities that CMHPs are adequately resourced to provide these services.**

Please allocate an additional \$7.5M annually to Community Mental Health Programs to provide statutorily required community restoration services to individuals in need.

Needed Support in a Critical Moment

In 2024, Community Mental Health Programs, local government, advocates, and partners in the criminal justice system are asking the legislature to prioritize support for community restoration at a critical moment for our behavioral health and public safety systems

Contact: **Laura Curtis** | laura@nwpublicaffairs.com | 541-280-9984



ASSOCIATION OF OREGON COMMUNITY MENTAL HEALTH PROGRAMS



Co-Chair Lieber
Co-Chair Kropf
900 Court St. NE
Salem, OR 97301

February 23, 2024

Dear Co-Chairs Lieber and Kropf:

Clackamas County will participate in a deflection program of HB 4002-24, contingent upon sufficient funding provided by the Legislature. Clackamas County supports replacing Measure 110 with legislation that supports recovery, treatment and funding and restores law enforcement.

Sincerely,

Handwritten signature of Tootie Smith in blue ink.

Tootie Smith, Chair
Board of Commissioners

Handwritten signature of John Wentworth in blue ink.

John Wentworth
District Attorney

Handwritten signature of Angela Brandenburg in blue ink.

Angela Brandenburg
Sheriff

CC: Senate President Wagner
Speaker of the House Rayfield
Clackamas Caucus



HB 4049 Tackling PFAS the Oregon Way—For Healthy Farmland and Safe, Sustainable Biosolids Management Practices in Oregon

HB 4049 will fund the Oregon State University (OSU) Extension/College of Agricultural Sciences of OSU to study the effects of per- and polyfluoroalkyl substances (PFAS) in land applied biosolids on soil, water, and agricultural crops at select sites across the state. Four to five agricultural sites in different regions of the state will be selected to represent different crop types, soils, climate, and other ecosystem conditions. HB 4049 will provide \$740,000 in general funds for this study. ***The study will be conducted based on strictly voluntary participation by interested agricultural producers and the wastewater treatment utilities that provide biosolids to the farms, and data collection and reporting will maintain the anonymity of the farmers, field locations, and contributing wastewater utilities to the extent allowed by law.***

Sustainable Biosolids Management Makes Healthy Soil, Fights Climate Change, and Benefits Farms

Biosolids are the solids by-products of municipal wastewater treatment processes. Treated to meet strict US EPA and OR Department of Environmental Quality (DEQ) standards, biosolids are nutrient-rich organic materials applied on land as fertilizers and soil conditioners for crops and land reclamation. Some utilities turn biosolids into compost that is beneficially used for a variety of agricultural, urban landscape, and restoration purposes. Biosolids have been proven to help improve soil health, retain soil moisture, and sequester carbon, which often makes them a preferred alternative to commercial fertilizers.¹ ***Land application of biosolids is a sustainable cost-effective practice that benefits agricultural producers by offsetting demands for commercial fertilizers, increasing crop productivity, improving soil conditions over time, and helping their economic bottom line.***

Why Study Biosolids/PFAS Impacts to Oregon Farms?

Growing scientific evidence shows that exposure to PFAS may lead to a range of human health problems. PFAS do not breakdown easily, they are difficult to treat, and they are found just about everywhere in the air, water, and on land. For these reasons, PFAS have been dubbed “forever chemicals.” They are found in thousands of common consumer products and are used in some commercial and industrial processes, which makes PFAS sources and concentrations highly variable geographically across the US. They are released directly to the air, land, and water in a variety of ways. Due to their strong chemical bonds, they do not break down with current wastewater treatment technologies, so PFAS received at treatment plants are passed through to water and biosolids. As businesses and industries work to phase out sources of PFAS in manufacturing and consumer products, PFAS concentrations found in biosolids are expected to decline. However, it is still vital that we understand how or if PFAS found at low levels in Oregon biosolids impact crops, soil, and water quality.

¹ [Long Term Biosolids Land Application Influences Soil Health; University of Colorado, USDA](#)

Why is the Proposed Study of PFAS in Biosolids Important to Oregonians?

The US EPA is assessing health and environmental risks and implementing methods and requirements for PFAS monitoring and source reduction actions that will be implemented by states and local governments. In the meantime, state and local agencies in Oregon have undertaken proactive efforts to identify sources and levels of PFAS in Oregon's drinking water sources, municipal wastewater, and waterways. Information produced from these efforts to date has indicated PFAS sources and concentrations are relatively low compared to states with significant industrial sources. This enables Oregon to take the time to move forward responsibly and strategically to generate sound science and data-based approaches to locating and reducing PFAS exposure at the source while preserving sustainable and economical agricultural practices and wastewater management services.

HB 4049 will fund OSU researchers to work in collaboration with DEQ, the Oregon Association of Clean Water Agencies (ACWA), local wastewater utilities, and participating agricultural producers, to conduct studies that will help inform local and state decisionmakers and farmers about biosolids land application safety and risks related to PFAS. Maintaining sustainable biosolids management practices as a partnership between wastewater utilities and agricultural communities has multiple environmental and economic benefits. ***While biosolids are regulated to meet standards that protect public health and the environment, the EPA and DEQ have not yet established standards for PFAS in biosolids. This study will deliver information needed for Oregon leaders, municipal wastewater utilities, and agricultural producers to make sound decisions about the future of these practices.***



81 E. 14th Ave.

Eugene, OR. 97401

Contact: Susie Smith, Oregon Association of Clean Water Agencies; 541-485-0165; smith@oracwa.org



February 15, 2024

**Clackamas County Board of Commissioners
Policy Position
Relating to Tax Foreclosure Surplus Process Following Tyler v. Hennepin County**

Clackamas County supports HB 4056, creating a standard statewide process for county foreclosure surplus claims in response to the Supreme Court decision Tyler vs Hennepin County.

In 2023, the U.S. Supreme Court ruled on a case called Tyler versus Hennepin County, which is changing how the surpluses from tax foreclosed properties are managed by counties. As a result of the Supreme Court’s decision, Oregon statute dictating what counties must do when there is a surplus from a foreclosure became dated.

Oregon is one of nine states that did not have a process compliant with the Supreme Court ruling, and without this legislation all 36 counties will need to create their own processes to be compliant. That is not good for counties or property owners.

Clackamas County urges support for legislation that establishes an opportunity to create one unified process that all Oregon counties can follow, and that property owners affected by tax foreclosure can understand. A standard process that complies with the Supreme Court decisions and preserves county budgets to perform this work should be sustainable and fair for all Oregonians.

We urge a “yes” vote on HB 4056.

Please contact Trent Wilson (twilson2@clackamas.us) for more information.



March 6, 2024

Senate Committee on Finance & Revenue
900 Court St NE
Salem, Oregon 97301

RE: Concerns with HB 4056A and Request for Amendment

Chair Meek, Vice-Chair Boquist, and Committee Members,

Thank you for the opportunity to provide testimony on House Bill 4056A, which intended to create a consolidated statewide process to implement the recent *Tyler v. Hennepin County* opinion by the United States Supreme Court. We appreciate your consideration of the issue.

Over the interim, counties across Oregon worked collaboratively with stakeholders to craft a proposal that would provide a consistent, orderly process for former homeowners to claim surplus funds from foreclosures. Earlier this session, Representative Charlie Conrad led a work group discussion that crafted the -3 and -6 amendments. Counties indicated our support for the -3 and -6 amendments in the House Committee on Revenue.

While we were confident that these amendments would have led to passage of the bill in the committee and in both chambers of the Legislative Assembly, the House Committee ultimately adopted the -8 amendments, which we do not support. The version of the bill passed by the House does not address key issues for counties such as the 'look back' period and a consistent process that counties should follow. We have concerns with HB 4056A moving forward.

We are respectfully requesting the Senate Committee on Finance and Revenue to consider adopting an amendment to HB 4056A to bring back elements contained in the -3 and -6 amendments. We recognize that there may be too little time to realistically get an amendment adopted at this late stage of the short session. If the committee does not believe there is time to amend the bill, we would prefer the Committee not pass the bill this session and allow us to work with stakeholders to bring forward another bill in the 2025 long session.

Thank you for your consideration.

Submitted by Tom Powers, Multnomah County Government Affairs

tom.powers@multco.us



February 13, 2024

**Clackamas County Board of Commissioners
Policy Position
Relating to Urban Unincorporated Areas**

Clackamas County opposes HB 4063 unless amended to include dedicated funding to perform the work required in urban unincorporated areas (UUAs).

Clackamas County was thankful to be included in the interim workgroup designed to clarify requirements for increased planning and needs assessments for the purpose of housing production in urban areas that are not already cities. We believe the proposed language included has addressed our technical concerns and can be helpful to housing production goals. However, without ongoing funding the county will be limited in helping the state to achieve those goals.

In Clackamas County, our UUA hosts over 90,000 residents. Said another way, if the Clackamas UUA were to become a single city, it would immediately become the largest city in Clackamas County and be the 8th largest city in Oregon by population – nearly as large as the City of Beaverton.

The cost to perform the proposed planning work to serve UUA's and support statewide housing production goals – that would be held accountable by the newly proposed Housing Accountability and Production Office (HAPO) – is not addressed in this bill, and should be. In order to meet the objectives in HB 4063, Clackamas County would need at least two additional FTE, or the equivalent in consulting services, for no less than two years to initiate the programs, and will need to identify ongoing funds to keep the program solvent.

We urge the inclusion of start-up funding in HB 4063, as well as dedicated programmatic funding to advance the proposed planning initiatives. Without funding, the county's ability to support state housing production goals in this largely populated area will be extremely limited, and with the added layer of accountability through the formation of HAPO will be considered an unfunded mandate.

Please contact Trent Wilson at twilson2@clackamas.us for more information.



February 20, 2024

Joint Committee on Ways and Means, Subcommittee on Capital Construction
Senator Fred Girod
Representative Paul Holvey

Dear Co-Chairs Girod and Holvey:

The Clackamas County Board of Commissioners supports the Oregon Judicial Department's (OJD) \$21 million request to conclude the state funding obligation for the Clackamas County Courthouse Replacement Project. We are grateful for this partnership between OJD and the county, and are pleased to report the project currently remains on time and on budget.

The Board of Commissioners approved moving forward in good faith that the State would honor its funding commitment by approving the Chief Justice's budget request. To bring the project to bid, the county received an initial state investment of \$94.5 million in 2021, in accordance to the requirements of the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF). In 2023, the State Legislature authorized an additional \$30 million. This leaves a remainder of \$21 million in state funding to complete the financing of the Clackamas County Replacement Project.

We appreciate the nature of a short session operates on limited bonding capacity, and that there are numerous requests across Oregon. Completing the State's funding commitment in 2024 accomplishes the completion of state funding commitment to this project, and makes way for future courthouse projects to have priority in future sessions. Failure by the legislature to fund this request in-full will require the county to leverage funds to cover the gap in state funding, stressing county general fund dollars that might otherwise go to public services, and will require Clackamas County and OJD to return in 2025 to request final state funding.

To address lingering questions about details within the project scope, our staff has met in good faith with Legislative Fiscal Office – even providing a tour of the construction site – to better understand concerns and provide clarity to the nature of the project and funding eligibility. At this time, we submit in confidence that the requested \$21 million is eligible within the funding agreement between OJD and the county.

We are very grateful for the funding that has already been approved in prior session. We would not have been able to advance the courthouse project without the state program. We are eager to conclude these requests and open a courthouse that will be a model example of good state and county partnerships.



BOARD OF COUNTY COMMISSIONERS
PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

Thank you for your attention to this matter.

Sincerely,
Clackamas County Board of Commissioners

Tootie Smith, Chair

Commissioner Paul Savas

Commissioner Martha Schrader

Commissioner Mark Shull

Commissioner Ben West

cc: Clackamas Caucus

Attachments: OJD Courthouse Request Letter
Clackamas Courthouse Fact Sheet



OREGON JUDICIAL DEPARTMENT
Office of the State Court Administrator

January 16, 2024
(SENT BY EMAIL)

The Honorable Elizabeth Steiner, Co-Chair
The Honorable Tawna Sanchez, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Re: Clackamas Courthouse Replacement Final Construction Bond Request

Dear Co-Chair Steiner and Co-Chair Sanchez:

Nature of Request

The Oregon Judicial Department (OJD) requests an increase in XI-Q Bond authority, Cost of Issuance (COI), and accompanying Other Fund Limitation to complete the Clackamas County Courthouse Replacement.

Background

Counties are statutorily responsible to provide suitable and sufficient court facilities for state circuit courts. This legal responsibility continued when the State of Oregon assumed responsibility decades ago for the operating costs of courts and providing indigent defense. Many courthouses, however, have significant deferred maintenance, and many lack seismic protection. The 2013 Legislature created the Oregon Courthouse Capital Construction and Improvement Fund (OCCCIF) to provide state-matching funds to replace unsafe courthouses.

Counties may receive up to a 50 percent match of the costs to provide circuit court facilities if the new courthouse also provides space to co-locate a state agency with the court. The state match is limited to 25 percent without co-location. The state match may be applied to the cost of the co-located agency space, but does not apply to any county-supported offices located in the new courthouse.

In order to receive state funds, the project must be approved by the Chief Justice and the Department of Administrative Services, as well as receive legislative authority to issue the bonds. Proceeds for the state bonds are deposited in the OCCCIF and are used to reimburse counties for eligible expenses. County-matching funds also are temporarily deposited in the OCCCIF, to verify that counties have their matching funds and to dedicate those funds to the courthouse project.

The current Clackamas County Courthouse was built in 1936 with one courtroom and has been expanded over the years but reached its capacity for expansion some time ago. The new courthouse is being constructed on the county's Red Soils campus and will provide a seismically safe building, allow sufficient space for court operations, and allow jurors to convene in the courthouse instead of in a separate building.

The county has approved a public-private-partnership approach that may serve as an example of another financing option for counties. The P3 "Project Company" is responsible for the new courthouse design, financing, operation, and maintenance. Under the agreement, the state will make a milestone payment to the P3 and the county's matching funds requirement will be made as "availability" payments over the course of the next 30 years.

The 2017 Legislature approved \$1.2 million General Fund for project planning. The 2022 Legislature authorized \$95.4 million in state bonds. The county projected a final construction need of \$60 million, and the 2023 Legislature authorized \$30 million in bonds.

This request is for a total of \$21.2 million to fund \$20.9 million in final construction costs and \$207,980 in COI for the bonds. OJD is also requesting Other Fund Limitation to disburse \$207,980 of COI, \$20.9 million in state bonds, and \$20.9 million of county-matching funds.

Action Requested

OJD requests an increase of \$21.2 million in XI-Q bond authority to fund the final construction costs and COI to complete the Clackamas County Courthouse.

OJD is also requesting Other Fund Limitation to disburse the \$20.9 million in state bonds, \$20.9 million of county-matching funds, and \$207,980 in COI.

Legislation Affected

Increase of \$21,150,000 of Clackamas County Courthouse XI-Q bond authority in HB 5005 (Oregon Laws 2023, chapter 596, section 1(6)(m)(B)).


Joint Committee on Ways and Means
Page 3
January 16, 2024

Increase of \$207,980 of Other Fund Limitation for the Cost of Issuance in SB 5506 (Oregon Laws 2023, chapter 605, section 138).

Increase of \$20,942,020 of Other Fund limitation for Clackamas Courthouse State Funds in SB 5506 (Oregon Laws 2023, chapter 605, section 141).

Increase of \$20,942,020 of Other Fund limitation for Clackamas Courthouse local matching funds in SB 5506 (Oregon Laws 2023, chapter 605, section 142).

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy J. Cozine". The signature is fluid and cursive, with a large loop at the end.

Nancy J. Cozine
State Court Administrator

NC:jm/24eNC002jm

ec: Chief Justice Meagan A. Flynn
John Borden, Principal Legislative Fiscal Officer, LFO
Zachary Gehringer, Policy and Budget, DAS-CFO
David Moon, Director of BFSD, OJD

Clackamas County Replacement Courthouse Project

2024 Legislative Session



Clackamas County supports Oregon Judicial Department's request to increase bonding authority by \$21 million for the Clackamas County Courthouse. This funding will conclude the target amount for meeting the state's cost share program for courthouse replacement projects.

Clackamas County appreciates the partnership with the State Legislature and Oregon Judicial Department to advance the Courthouse Replacement Project. The state's 2021 investment of \$94.5 million in OCCIF, along with a county match, was required to take the project to bid and initiate construction. In 2023, the State Legislature authorized an additional \$30 million. This leaves up to \$21 million remaining for state funding to complete the financing of the Clackamas County Replacement Project.

The project currently remains on track to be completed on time and on budget, and is expected to be open to the public in 2025. Clackamas County will pay for its share of the courthouse obligation by means of the county general fund over 30 years. This is made possible through a series of financial adjustments to county operations and upcoming expirations of debt from other existing county commitments.



The Current Courthouse is No Longer Adequate to Meet our Needs



Earthquake Risks

A 2015 seismic evaluation found the existing courthouse has numerous structural deficiencies. Soil tests indicate the ground under the building could liquefy during an earthquake. The courthouse is currently three feet from the Willamette River and cannot be seismically retrofitted or modified to modern standards.

Safety Concerns

There are significant safety concerns due to failing building systems. Mechanical, electrical and plumbing systems are functionally obsolete and in some cases beyond repair.

Security Challenges

A capacity shortage in the current courthouse highlights the need for separate building 'circulation zones.' The current courthouse lacks separate paths for victims, witnesses, and prisoners/defendants. Jurors have no sequestration room on site, increasing the risk of improper communications.

Delays in Justice

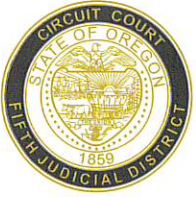
With the current courthouse, the gap between space availability and judicial needs leads to delays in justice. The existing courthouse cannot handle the demands of our population, which has led to delays in trials and incarcerations, and affected child support hearings and civil litigation trials.

A Community of Support

Local and statewide stakeholders support this project, including:



Learn more and sign up for updates at www.clackamas.us/courthouse
Contact: Trent Wilson twilson2@clackamas.us



CIRCUIT COURT OF OREGON

FIFTH JUDICIAL DISTRICT
CLACKAMAS COUNTY COURTHOUSE
807 MAIN STREET, ROOM 304
OREGON CITY, OREGON 97045

KATHIE F. STEELE
CIRCUIT COURT JUDGE

PHONE 503-655-8678
FAX 503-685-8491

Hello Co-Chairs Girod and Holvey, and members of the Joint Ways & Means Capital Construction Subcommittee.

For the record, my name is Judge Kathie Steele and I am here to speak in support of the Oregon Judicial Department's request for \$21 million to close the books on the state's match of the Clackamas replacement courthouse.

Let me begin by saying thank you to the Oregon Legislature, and my Chief Justice, who have helped to advanced early funding for this project. It is not lost on us that there are many priorities across the state, but access to justice is certainly one of them.

I'm proud to report that our courthouse project is currently on track to open in 2025, and that the project is currently on time and on budget.

But those last dollars in are important and timely.

Just a quick reminder that the courthouse replacement project was one of necessity. I've brought my yardstick to reiterate how close the current courthouse is to the Willamette River.

In other words, we could not wait.

In a brave step by our county leadership recognizing both the need and rising cost of inflation, the Board of Commissioners launched this project having the confidence of the state's initial investment in 2021. As such, the early milestone payment will be due within this current biennium. It has always been the county's plan to fund this milestone payment with the state share of funding.

This has allowed the county to build this project without raising taxes.

If those remaining state dollars are not fully committed this year, Clackamas will need to find those funds elsewhere until the state can fund its share of the courthouse. The county is good for those dollars – that isn't the problem. The challenge will be the potential loss or minimizing of services to the public those dollars might otherwise be supporting.



While we appreciate the tremendous commitment the State has made to the replacement courthouse, we know that there were questions last session about project costs outside the four walls of the courthouse itself. I am pleased to say our staff has worked closely with Legislative Fiscal Office to address those questions - and even hosted a site visit of the construction site. And it is our understanding we have satisfied all remaining questions.

In conclusion, I can't speak highly enough of the good partnership between Clackamas County and the Oregon Judicial Department specific to this project. This is a good project, a good use of public dollars to deliver public services, and a good model of the state and county working together.

Thank you, and we urge your support of this \$21 million request.

Very Truly Yours,



Kathie F. Steele
Clackamas County Circuit Court Judge

KFS:dhk



BOARD OF COUNTY COMMISSIONERS

PUBLIC SERVICES BUILDING

2051 KAEN ROAD | OREGON CITY, OR 97045

Representative Annessa Hartman
House District 40
900 Court Street NE H-492
Salem OR, 97301

January 25, 2024

RE: Capital Funding Request
Homeless Solutions Coalition of Clackamas County

Dear Representative Hartman,

As Chair of the Clackamas County Board of Commissioners, I would like to express my support for the Capital Funding Request of State funds to the Homeless Solutions Coalition of Clackamas County (HSCCC) to create a resource center that will serve Oregon City and Clackamas County.

HSCCC envisions a shared-space where local service providers, public safety officials, health care professionals, faith-based organizations, educators, and governmental agencies can come together under one roof to collaboratively address the systemic issues of homelessness. The goal of the center is to help make homelessness rare, brief and non-recurring in our community.

HSCCC has undertaken a years-long community conversation to build support for the center and address the concerns of Oregon City businesses and residents. These sessions will continue through the design, implementation, and operation of the new facility to make the center effective, responsive to community needs, and something Oregon City and Clackamas County are proud of.

Clackamas County has already awarded HSCCC a \$10 million grant to purchase the land and help build this new facility. The estimation is that the facility will cost twice that. HSCCC is in the midst of a capital campaign to raise the rest. It is our hope that the State will also be able to contribute a substantial amount to support this effort.

Sincerely,

Tootie Smith, Chair
On Behalf of the Clackamas County Board of Commissioners



February 8, 2024

Clackamas County Board of Commissioners
Policy Position
Relating to Public Liability with Design Professionals

Clackamas County opposes SB 1575: The proposed legislation will increase costs to the public and legislate away standard contractual remedies designed to hold design professionals accountable to their work.

The County opposes SB 1575 for the following reasons:

1. Design professionals are in the best position to defend the quality of their actions and design. Requiring the county to defend a claim until the design professional is found to be negligent by a court or arbitrator will place an increased financial burden on public agencies for these types of claims. Counties should not be required to spend taxpayer dollars beyond the existing contract to defend a claim for negligence by design professionals.
2. There is no reason to treat design professionals differently from any other contractor. The proposed legislation gives special treatment to design professionals by essentially removing the ability to require those professions to defend a claim for their own negligence. If design professionals do not want to agree to a duty to defend, that should be addressed through contract negotiations, not through legislation. Additionally, it is the expectation of the county that design professionals are scoping this cost into their contract bids already. If they are not, that is a choice by the firm and the public should not bear the burden of such decisions.
3. Design professionals already have significant protection in the standard of care, which requires the design professional to exercise an ordinary degree of skill and care that would be used by other reasonably competent practitioners of the same discipline under similar circumstances and conditions. It is reasonable to expect a design professional to enter into a contract that requires it to defend against allegations that this standard is not met. This should motivate the design professionals to do their best work for the County and its taxpayers.
4. In situations where the duty to defend work has been triggered, most scenarios have been handled amicably through arbitration, limiting the need to go to trial. Removing this safety net will naturally remove the motivation to resolve issues pre-trial, lead to more litigation, and build distrust between firms and public agencies.

We urge a “no” vote on SB 1575.

Please contact Trent Wilson at twilson2@clackamas.us for more information.



Chair Julie Fahey
House Committee on Rules
900 Court St. NE
Salem, OR 97301
Submitted electronically

February 29, 2024

Dear Chair Fahey and Members of the House Committee on Rules:

Clackamas County strongly opposes SB 1575, and we request you do not schedule it for a work session or otherwise vote it down.

We opposed this concept in 2023 when it was SB 858, and we opposed it the first week of the 2024 session. This bill would increase risk and legal exposure to public agencies, making public projects more expensive. When public agencies lose, taxpayers lose.

The duty to defend professional work should rest on the professionals who know best what might have occurred. Shifting the burden to public agencies will require dipping into risk funds, hiring outside experts, and potentially taking legal action against design firms that would otherwise be in partnership with public agencies.

The inclusion of a duty to defend clause in public contracts also incentivizes design consultants to cooperate with the county and negotiate an amicable resolution to issues related to their work before a dispute goes to trial. SB 1575, if successful, would remove this incentive. In fact, it would have the opposite effect—disincentivizing design professions from participation earlier in the dispute process because their responsibility would not arise until after adjudication.

ORS 279C.110 is an example of good policy that should inform the decision on SB 1575. It states that only the most qualified design consultants be hired to deliver public projects. It stands to reason that if only the most qualified bidders are allowed to enter into public contracts, that they, too, are the most qualified to defend their work if it fails.

We can appreciate the intent of SB 1575 to try and improve access for small firms to compete for public contracts. However, we question whether this bill—which is limited only to public contracts that already require the most qualified design professionals be selected—will move the needle to solve the issue of rising costs of insurance. We encourage the Legislature to

instead focus on minimum insurance requirements so private firms may be covered for a duty to defend obligation, rather than asking taxpayers to assume the costs.

We urge your “no” vote on SB 1575. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Tootie Smith". The signature is written in a cursive, flowing style.

Tootie Smith, Chair
On Behalf of the Clackamas County Board of Commissioners



February 29, 2024

House Committee on Rules
Oregon State Capitol
900 Court St. NE
Salem, OR 97301

Thank you for the opportunity to provide this letter in opposition to SB 1575 A. We are concerned that SB 1575 A will unfairly allocate risk to the taxpayer from negligent design work and single out the design industry for preferential treatment that other contractors would not enjoy.

When a local government undertakes a construction project, we routinely require design professionals and other contractors to not only indemnify, but also defend against third-party claims relative to the project. We do this for two main reasons: first, because damage or injury to a third party may be due to faulty design or construction (or a combination of the two) and second, to prevent taxpayers from bearing legal costs associated with negligent design and/or construction. SB 1575 A unfairly burdens taxpayers with the risk associated with professional design work that the taxpayers do not control.

Current law already proportionally limits a design consultant's liability in the context of being an indemnitor in a public contract. If a third party's injury on a public project was ultimately determined to be caused by bad design, the design consultant would only be obligated to indemnify the public owner up to the percentage of its negligence. In our view it is fair that all contractors – not taxpayers – incur the cost of defending such claims, in an effort to sort out what, if any, liability exists related to one or more contractors.

The duty to defend should rest on the shoulders of the party or firm providing the service because the liability could only arise as a result of their services. As a result, the duty to defend ought to be treated as the cost of doing business on public projects. We are confident that design consultants build liability costs into the rates paid by public owners when they are hired for design work on public projects, yet we don't anticipate that passage of this legislation will result in lower rates for design services. What's more, design consultants have already successfully advocated for public contracting laws that only allow the most qualified design consultants to be selected for work on public projects (see ORS 279C.110). It follows that if only the most highly qualified firms are performing this work, the risk of third-party liability would be quite low. Therefore, we think it is fair that design consultants stand by their work and not shift their business risk to taxpayers.

We encourage the Legislature to reject SB 1575 A.

March 20, 2024

Governor Tina Kotek
Office of the Governor
900 Court Street, Suite 254
Salem, OR 97301

Governor Kotek,

We, the undersigned, formally request a veto of SB 1575, the “duty to defend” bill. Current law already proportionally limits a design consultant’s liability in the context of being an indemnitor in a public contract. If a third party’s injury on a public project was ultimately determined to be caused by bad design, the design consultant would only be obligated to indemnify the public owner up to the percentage of its negligence. In our view it is fair that all contractors – not taxpayers – incur the cost of defending such claims, as every other contractor would.

SB 1575 will be costly to local municipalities. While cost to local government is listed as “indeterminate” in the [fiscal impact statement](#) for the bill, we would urge you to take seriously the estimate that counties and cities expect to pay \$300,000 to \$350,000 *per claim* when cases arise due to design professional work.

Prior incarnations of duty to defend legislation received subsequent referrals to the Joint Committee on Ways and Means, including SB 848 A in 2023. As noted in that year’s [fiscal impact statement](#) and others, costs for public works projects are likely to rise with duty to defend clauses barred from public contracts. For example, this session’s historic housing production package will undoubtedly entail the work of design professionals as local governments complete their contracting for those investments. Similarly, many cities are in the middle of updating their wastewater treatment facilities to comply with new DEQ requirements. We are concerned that SB 1575 may add unnecessary cost and time to those investments and others, creating delays when urgency is necessary.

Design professionals were clear in their testimony on SB 1575 that the legislation was needed due to costly and sometimes unavailable insurance to cover duty to defend. There exist more equitable options to solve that insurance problem; for example, a state-sponsored risk pool for design professionals in conjunction with their professional organizations. Coverage could then be offered to design professionals working on public and private projects alike. Such a solution would allow the design professionals to cover their own costs and risks related to doing business rather than forcing taxpayers to do so.

We understand that the design professionals face a conundrum, and the undersigned entities are willing to engage in an interim effort to find a more equitable solution.

Thank you for considering our concerns with SB 1575 as you weigh your signing of the bill into law.

Signed,
Association of Oregon Counties
City of Gresham
City of Happy Valley
City of Lake Oswego
City of Portland
Clackamas County
Clackamas County Water Environment Services
Clean Water Services
Eugene Water and Electric Board
Metropolitan Mayors' Consortium
Multnomah County
Oregon Association of County Engineers and Surveyors
Oregon Municipal Electric Utilities Association
Oregon School Boards Association
Port of Portland
Tri-Met
Washington County

CC: Andrea Cooper, Chief of Staff
Bob Livingston, Legislative Director
Morgan Gratz-Weiser, Deputy Legislative Director
Richard Lane, General Counsel