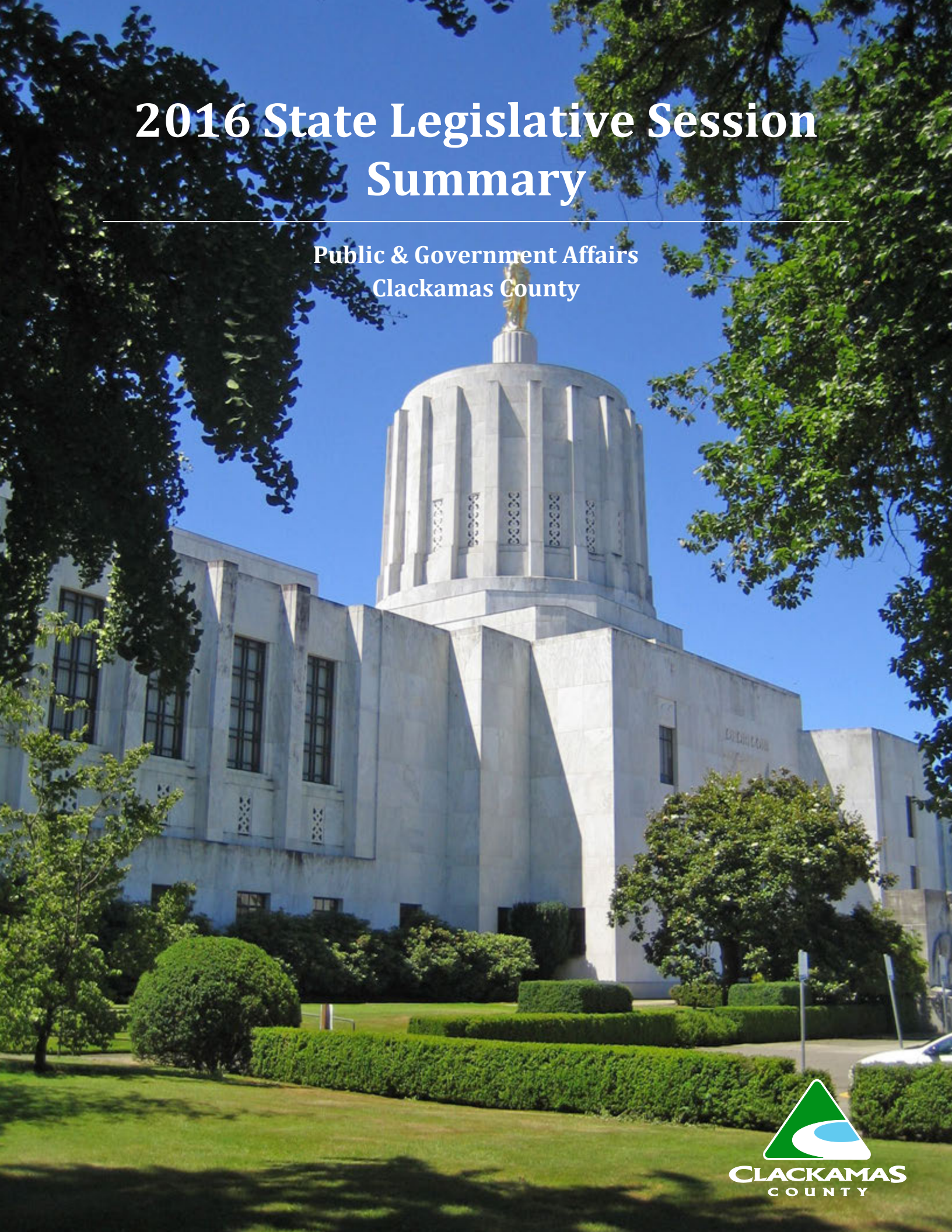


# 2016 State Legislative Session Summary

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Public & Government Affairs  
Clackamas County



## **Government Affairs Staff**

Gary Schmidt, Director of Public & Government Affairs

503.742.5908 (office)

[gschmidt@clackamas.us](mailto:gschmidt@clackamas.us)

Chris Lyons, Government Affairs Manager

503.742.5909 (office)

971.202.3007 (cell)

[clyons@clackamas.us](mailto:clyons@clackamas.us)

Trent Wilson, Government Affairs Specialist

503.655.8206 (office)

971.263.4183 (cell)































[twilson2@clackamas.us](mailto:twilson2@clackamas.us)

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## 2016 STATE LEGISLATIVE AGENDA RESULTS

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<b>LEGEND</b>				
	<i>Goal Achieved</i>	<i>Mixed Results</i>	<i>Goal Not Achieved</i>	<i>No Legislation</i>

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## EXECUTIVE SUMMARY

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The 78<sup>th</sup> Oregon Legislative Assembly began on February 1, 2016, and adjourned *sine die* on Thursday, March 3, three days ahead of the maximum 35 days allowed in the state constitution for even-numbered-year, or “short”, sessions. The 2016 short session – the third of its kind since voters approved annual legislative sessions in 2010 – continued to shape the debate about the Legislature’s ability to produce meaningful public participation and good public policy in such a short amount of time. As in previous short sessions, legislative rules to limit the number of introduced bills and implementation of shorter bill deadlines did not restrict the significance or complexity of many of the measures introduced. Widely publicized policies introduced in this session included an increase to Oregon’s minimum wage, a bypass to voter approved annexation ordinances, a lifting of the state’s inclusionary zoning ban, a phase-out of coal power and new clean energy goals for utility companies. Noticeably absent from discussion was the minimal to nearly non-existent effort surrounding transportation funding, which is being promoted as the main issue in the upcoming 2017 regular session.

Only 283 bills were introduced in the 2016 session, of which Clackamas County Government Affairs staff actively tracked 126 that were related to local government. In addition to providing legislative support to the Board of County Commissioners (BCC) and internal county departments, PGA worked cooperatively with numerous external partners during the 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.

This report summarizes key legislative outcomes related to Clackamas County’s 2016 state legislative agenda. The original agenda was approved by the BCC on January 12, 2016 and was expanded throughout the session in order to respond to proposed legislation. In addition, a comprehensive end-of-session report is forthcoming from AOC and will be distributed to commissioners and department managers at that time.

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## ECONOMIC DEVELOPMENT

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### Brownfields

Goal: *Support legislation that facilitates redevelopment of vacated industrial sites, through measures such as recapitalizing the state Brownfields Redevelopment Fund, creating property tax incentives, and creating state tax credits.*



Result: The County worked closely with the Oregon Brownfield Coalition to help pass **HB 4084**, which provides a new local option (“opt-in”) brownfield property tax incentive program and permits cities, counties, or ports to add requirements to tailor the program. By offering property tax reductions linked to cleanup costs, local governments will be able to offset some or all of the high costs of remediation that often constitute a barrier to redevelopment, thereby helping to end the cycle of disinvestment in brownfields. This new program has the potential to incentivize the cleanup of numerous sites in Clackamas County, which currently has 309 known brownfield properties listed by DEQ. [Appendix C: HB 4084 Coalition Support Letter, Coalition Floor Letter 1, Coalition Floor Letter 2]

### Enterprise Zones

Goal: *Support the creation of additional Enterprise Zones in Oregon; Oppose measures that would mandate prevailing wage requirements on private industries within Enterprise Zones.*



Result: No legislation was introduced during the session on this issue.

### Film & Media Production

Goal: *Support legislation that provides state incentives to help recruit film and media projects to Oregon and keep current projects in the state.*



Result: **SB 1578** was introduced at the beginning of session, which would have increased the amount of maximum total tax credits for certified film production development contributions from \$10 million to \$14 million starting in 2016. While SB 1578 died, its language was added to the omnibus tax credit bill **SB 1507** that did pass the Legislature. The final film provision increased the annual film and video credit from \$10 to \$12 million immediately, and will increase it to \$14 million in 2017. Clackamas County holds obvious appeal to filmmakers and production companies given its incredibly diverse landscape and could greatly benefit under this expanded incentive.

### Industrial Lands

Goal: *Support legislation to increase the supply of available land ready for industrial development; Support state financing and incentives to assist local government in constructing infrastructure and preparing shovel-ready industrial sites.*





Result: No legislation was introduced during the session on this issue, but it is anticipated that this may be a focus during the 2017 session. However, the Legislature did pass **SB 1565** to incentivize industrial construction/improvements. Specifically, the legislation authorizes a city or county to adopt an exemption for newly constructed or installed industrial improvements with a location in a rural area and that have a cost of initial investment of at least \$1 million and not more than \$25 million. The bill provides the exemption shall be granted as 100 percent exemption for any three of five consecutive years unless the city or county adopts other terms. The bill also provides that the ordinance or resolution granting the exemption may not take effect unless the rates of taxation of the taxing districts whose governing bodies agree to grant the exemption equal 75 percent or more of the total combined rate of taxation. While the County took a neutral position on the bill, with its passage the County now has another tool to incentivize industrial improvements.

### Minimum Wage

Goal: *Oppose proposed legislation raising the state minimum wage.*



Result: Legislative leadership made raising the minimum wage a top priority issue for the short session. Clackamas County joined AOC in opposing **SB 1532**, raising concerns that the bill will drive industry and businesses away from the state. By the third week of session, both the House and Senate had passed the bill mostly along party lines. The legislation creates a three-tiered system that, by 2022, increases the minimum wage rate to \$14.75 within the Metro UGB, \$12.50 in frontier counties, and \$13.50 in all other locations. The wage increases will be phased in beginning July 1, 2016, with additional increases occurring annually. While significant, this increase is less impactful than the ballot measure proposals considered to have the greatest odds of prevailing. Shortly after the legislation passed, proponents of a minimum wage ballot measure suspended their efforts. [Appendix B: SB 1532 Policy Statement]

### Parks

Goal: *Support legislation related to System Development Charges, land use and development policies promoting local parks, recreation, and natural areas.*



Result: No legislation was introduced during the session on this issue.

### Willamette Falls Locks

Goal: *Support legislation aligning with the County's resolution to see the Willamette Falls Locks repaired and reopened.*



Result: The County, in concert with other partners from the Willamette Falls Locks Working Group, successfully advocated for funding to help facilitate a conclusion on the final disposition of the Locks. With Senator Richard Devlin as a strong champion, the Legislature allocated \$500,000 toward Willamette Falls Locks and Canal repairs. The funding was contained in the end-of-session budget bills, **SB 5701** and **SB 5202**. Approximately \$100,000 of the funding will

be used for an economic benefits study to provide a detailed analysis of the significance of the Locks and its economic potential. The remaining \$400,000 is intended for stop-gap repairs for interim reopening of the Locks. Commissioner Smith met with numerous legislators and testified before the Ways & Means Capital Construction Subcommittee in support of the request. [Appendix C: Willamette Falls Locks Letters 1 & 2]

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## EMPLOYEE SERVICES

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### Collective Bargaining

Goal: *Oppose legislation affecting interim bargaining negotiations that reduces employer flexibility between contract periods and threatens scarce public resources.*

N/A

Result: No legislation was introduced during the session on this issue.

### Definition of a Supervisor

Goal: *Support legislation permitting bargaining units of only supervisory personnel.*

N/A

Result: No legislation was introduced during the session on this issue.

### Public Employees Retirement System (PERS)

Goal: *Support legislation reducing the volatility of employer contributions and maintaining an adequate retirement program for employees.*

N/A

Result: No legislation was introduced during the session on this issue. According to recent estimates, total unfunded PERS liabilities are more than \$18 billion, which includes \$5.1 billion stemming from an Oregon Supreme Court decision that the state cannot retroactively decrease pension benefits promised to employees. In addition, approximately 70,000 PERS recipients are currently eligible to retire. Rate or policy changes will be necessary in the near-term to maintain an adequate retirement system.

### Veterans' Preference

Goal: *Support legislation that clarifies veterans' preference requirements in the public hiring process while giving veterans meaningful preference in the process.*

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Result: **HB 4096** was introduced at the start of session, seeking to clarify existing law regarding veteran's preference requirements in the public hiring process. Unfortunately, the bill failed to reflect the progress that had been made on the issue during the 2015 session in the form of SB 87 and died in the face of opposition from all stakeholders. The Committee Chair is likely to create an interim work group on the issue so that progress can be made toward a new bill for consideration during the 2017 session. The County will continue to work closely with AOC, LOC, Multnomah County, and the City of Portland as the issue continues to progress.

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## FINANCE

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### Financial Sustainability

Goal: *Monitor and influence proposed legislation to ensure adequate and stable funding of county programs and services. Counties partner with the state to provide vital public services and are on the front line of ensuring that services continue and reach those who need them.*



Result: The Legislature considered two primary bills with the potential to impact county funding:

**HB 4093**, which passed the Legislature after significant revision, allows the presiding judge to impose a \$5 surcharge on parking and traffic violations. This legislation was championed by Multnomah County and is intended to raise additional revenues to help pay for courthouse repair or replacement. Only those counties that have received bond proceeds for courthouse repair or replacement are eligible. While Clackamas County was neutral on the bill, we pursued an amendment to include Justice Courts in the bill but learned that these dollars would not be eligible for state bonding (Article 11q bonds) as the state does not own these facilities. Nonetheless, the bill could help Clackamas County to raise additional revenues at a future date for the courthouse replacement project.

**HB 4116**, which died in committee after failing to receive a work session, would have created a Task Force on County Jail Inmate Health Care Coverage tasked with improving the health care services provided to inmates in county jails while reducing the costs of services to the state and counties. One of the issues spurring the creation of this task force was addressing Medicaid's prohibition on providing coverage to persons while incarcerated. Despite the bill not going forward, the introduction of this concept led to good debate on the need to review inmate health costs, particularly with the aging of our population and concurrently our inmates. Clackamas County worked with Rep. Jim Weidner on his bill concept prior to the legislative session. Similar legislation is likely next session.

### Preemption and Local Control

Goal: *Oppose preemption of local tax sources and other efforts to restrict local government authority. Local control allows counties to create and fund programs that foster innovation and address the unique needs of their communities.*



Result: **SB 1559**, which died in the final days of session, would have required tobacco retailers to be licensed by the state and pay fees. The bill also included preemption language that would have prohibited an additional local license and fees, prohibited local governments from regulating locations based on the co-location of a pharmacy, and prohibited local governments from regulating distance from schools for retailers over 5,000 square feet. Clackamas County supports tobacco retail licensing, but since the bill includes some local preemptions that would prohibit the County from establishing local regulations, we opposed the bill. As Oregon is one of twelve states that do not license tobacco retailers, at the same time leading the nation with the highest

rate of illegal sales to minors, we anticipate this issue will return next session. [Appendix B: SB 1559 Policy Statement]

### Public Contracting

Goal: *Support considerations to the Public Contracting Code (ORS 279) that promote responsible use of public resources for local agencies.*



Result: No legislation was introduced during the session on this issue. However, we anticipate bills during the long session seeking to address this issue.

### State/County Shared Revenue Agreements

Goal: *Preserve counties' share of tobacco, liquor, video lottery and recreational vehicle (RV) fee revenue. Monies received by counties fund economic development programs, county park and recreation areas and essential front line services, including sheriff's patrol, jails, and health services.*



Result: The Legislature continued to focus its attention on the regulation of tobacco retailers and electronic cigarettes. Despite much conversation about the continued need to update the regulation of tobacco products, no bills passed during this session. **HB 4062**, which died in committee after failing to receive a work session, would have established a tax on electronic cigarettes and required retailers to register with the Oregon Department of Revenue. Distribution of these revenues would have been 10% for the Tobacco Use Reduction Account and 90% for the state's General Fund. As the only form of untaxed nicotine delivery and with the sharp rise in use by Oregon's young people, we anticipate this issue will be on the Legislature's agenda next session.

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## HEALTH, HOUSING & HUMAN SERVICES (H3S)

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### Affordable Housing and Support Services

Goal #1: *Support efforts to create and preserve affordable housing and support services for moderate, low, and very low income residents and those experiencing homelessness.*



Result: Affordable housing was a key priority for legislative leadership in the 2016 session, with far-reaching legislation introduced related to lifting the state's 17-year-old ban on inclusionary zoning and renter protections. Ultimately, the Speaker made clear that four separate bills related to housing issues would be tied together and that they would all pass or all fail together. The deal included issues related to inclusionary zoning, renter protections, construction excise taxes, UGB amendment pilots and annexations. All of these bills passed the Legislature, as well as two additional bills relating to affordable housing:

**SB 1533** allows for cities and counties to adopt inclusionary zoning policies, essentially establishing a reduced sale or rental price, for up to 20% of units of a 20 or more unit structure;

“affordable” is defined as 80% of the median family income. Additionally, it lifts the ban on local construction taxes but limits it to 1% of valuation and dedicates it for county or city and state affordable housing programs and for developer incentives.

**HB 4143** sought to provide some certainty for tenants in a volatile rental market. It prohibits rent increases during the first year of tenancy for month-to-month leases, and it extends the notice for rent increases after the first year from 60 days to 90 days for month-to-month leases.

**HB 4079** requires the Oregon Land Conservation and Development Commissioner (LCDC) to create a pilot program for including lands within an urban growth boundary for affordable housing. Two cities will be allowed to participate in the pilot program, one with a population of less than 25,000 and the other with a population greater than 25,000. Clackamas, Marion, Multnomah, Polk, and Washington Counties and cities within these counties are not eligible to participate.

**HB 4042** establishes a general assistance project to serve no more than 200 participants who are homeless, enrolled in a medical assistance program, and have a disability that would qualify them for Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) benefits. The benefits of the project could be used for housing assistance, personal incidentals, or assistance applying for SSI or SSDI benefits. The benefits given through the project would be recovered when the participant received SSI or SSDI benefits.

**SB 1582** creates the Local Innovation and Fast Track Housing Program (LIFT) that was developed by Oregon Housing and Community Services and the Housing Stability Council. This program will provide parameters for the \$40 million in bonding approved by the 2015 Legislature designed to increase state-owned affordable housing that may be purchased or rented by low-income individuals.

**HB 4081** extends a sunset of a property tax exemption for non-profit owners of affordable housing from 2018 to 2022. This extension will ensure that approximately 2,000 homes that are offered to low-income individuals and families in Oregon will remain in the affordable housing market.

*Goal #2: Preserve state funding levels for the Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP).*



**Result:** **HB 5701**, the 2016 budget reconciliation bill for all state agencies, includes a one-time appropriation of \$10 million to Oregon Housing and Community Services, including \$8 million for homelessness assistance and prevention services through the Emergency Housing Assistance (EHA) program and \$2 million to the State Housing Assistance program (SHAP) for operational support for emergency shelters and supportive services to shelter residents.

*Goal #3: Preserve state funding levels for senior programs, including Oregon Project Independence, Health Promotion activities, abuse prevention activities through the Gatekeeper program, and the Options Counseling program.*



Result: State funding for seniors programs, including Oregon Project Independence, was maintained during the 2016 session.

Goal #4: *Increase funding for veterans' housing needs to meet the rise in the number of homeless veterans in Clackamas County.*



Result: With the County's support, Oregon voters will have the opportunity on the November ballot to increase funding for all veterans' services. **HJR 202**, which passed the last week of session, is a constitutional referral to Oregon voters that would allow for 1.5% of Lottery funds be expended on services for veterans, including, without limitation: reintegration, employment, education benefits and tuition, housing, physical and mental health care and addiction treatment programs, assistance accessing state and federal benefits, and services provided by county veterans' service officers, campus veterans' service officers or nonprofit or tribal veterans' service officers.

Goal #5: *Support legislation requiring Oregon Housing and Community Services to distribute National Housing Trust Funds to local jurisdictions.*



Result: No legislation was introduced during the session on this issue.

### **Funding for Health and Human Services**

Goal: *Preserve state funding levels for health and human services programs – behavioral health, social services, public health, children, youth & families, community solutions, developmental disabilities – to enable Clackamas County programs to continue at current service levels and, in some cases, provide additional prevention, support, and treatment services to vulnerable individuals and families.*



Result: There was legislation proposed by health care leaders in the House and the Senate that sought to address various components of Oregon's CCO model in advance of the 2019 CCO contracting process. Concepts included different methods of protecting CCO contracts during the renewal process and addressing who holds the contracts and their liabilities. After much debate, only the following two minor bills passed; the major issues were not resolved and were pushed to an interim conversation that is intended to involve all parties.

**HB 4107** prohibits the Oregon Health Authority from retroactively changing the terms of a CCO contract unless required by the Federal government or the contract does not result in funds being recovered by the Authority.

**HB 4141** allows the Oregon Health Authority to reduce the service area of a CCO during the term of the contract only if the CCO withdraws from the service area and neighboring CCOs have the capacity to serve those members.

In addition, we were successful in helping to pass a number of new concepts aimed at helping vulnerable young people and adults in crisis:

**HB 4075** establishes a statewide student safety tip line, operated by the Oregon State Police, to receive calls concerning student safety. In addition to serving as a possible law enforcement response, it will also be used for referrals for mental health and substance use disorders. Oregon State Police received a \$1 million appropriation for this project. This legislation was the product of the Oregon School Safety Task Force chaired by Clackamas Sheriff Roberts.

**HB 4002** (*introduced as HB 4031*) was brought forward by the Oregon Alliance of Children's Programs and will establish a pilot project to develop a "trauma-informed approach" to education and health services for a school district that utilizes a school-based health center. The idea behind this approach is to address the trauma in children's lives that lead to chronic absenteeism and high dropout rates. The Oregon Chief Education Office received a \$500,000 appropriation for this pilot project. [Appendix C: HB 4031 Joint Letter]

**HB 4124** will address opioid abuse in two ways: allowing the Prescription Drug Monitoring Program used by health care providers to interface with hospital emergency room systems to detect "frequent flyers" that use emergency rooms to access drugs, as well as allowing pharmacists to prescribe and distribute Naloxone, a drug that immediately reverses the effects of opioids, to individuals trained to administer its use.

### **Mental Illness**

Goal: *Support legislation establishing community-based alternatives to incarceration for the purpose of diverting persons with serious mental illness from entering the criminal justice system, or linking people with serious mental illness to community-based services upon release to prevent further involvement in the criminal justice system.*



Result: No legislation was introduced during the session on this issue.

### **Recreational Marijuana**

Goal: *Support efforts to regulate accessibility, marketing, and packaging of cannabis products targeting young consumers.*



Result: Among the numerous bills passed by the Legislature this session relating to marijuana, **HB 4014** requires the Oregon Health Authority to establish a Youth Marijuana-Use Prevention Pilot Project for the purpose of increasing awareness among youth of the impact of using marijuana and marijuana-derived products. As part of the pilot, OHA will implement a multimedia public campaign targeting youth and young adults. The bill also instructs OHA to report back to the Legislature on further steps required to implement a statewide program during the 2017-2019 biennium. In addition, we were successful in preventing amendments from being adopted that would have allowed exemptions to the Clean Indoor Air Act for cannabis cafes and would have increased the strength of individual serving sizes and allowed for more serving sizes per package – both of which would have put children more at risk for misuse.

## Future of Public Health Services Task Force

Goal: Support legislation that implements recommendations of the Task Force on the Future of Public Health Services, which was established by the Legislature in 2013 to modernize Oregon's public health system.



Result: No legislation was introduced during the session on this issue, although we anticipate seeing a funding request for this purpose during the 2017 session.

## Veterans Tax Relief

Goal: Support legislation that grants a higher property tax exemption for disabled veterans.



Result: As a result of Clackamas County's support for this issue, Rep. Julie Parrish proposed a -10 amendment to the tenant protection bill (**HB 4143**) that would have achieved this goal. Unfortunately, the amendment failed to be adopted in the House Committee on Human Services and Housing.

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## PUBLIC SAFETY

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### 9-1-1 Operations and Funding

Goal #1: Support new spending authority to allow for the installation of the Next Generation (NG9-1-1) network; Support funding allocated to frame relay network upgrades.



Result: During the 2015 legislative session, legislators approved funding and policy to move forward with an early phase of the Next Generation 9-1-1 network. A Request for Proposals (RFP) was issued and recalled by the Department of Administrative Services (DAS) in early 2016, but was later reissued by DAS before the end of the 2016 session. IBM and CenturyLink were selected to do the frame relay network, and work is expected to be completed by October 2016. This completes the first phase of the Next Generation 9-1-1 network, and work on the second phase will likely emerge during the 2017 session.

Goal #2: Oppose state-mandated consolidation of 9-1-1 centers and preserve local control of consolidation decisions.



Result: No legislation was introduced during the session on this issue.

### Juvenile Crime Prevention Funding


Goal: Advocate for Juvenile Crime Prevention (JCP) funding from the Youth Development Council at the highest funding level possible, which provides approximately \$206,000 annually to the County Juvenile Department.



Result: State funding for Juvenile Crime Prevention was maintained during the 2016 session.




## Oregon Juvenile Code

Goal: *Oppose any statutory change to the Oregon Juvenile Code until adequate exploration of best practices by juvenile justice experts.* 

Result: No legislation was introduced this session proposing a change to the Oregon Juvenile Code without the support of the juvenile justice community.

## Justice Reinvestment

Goal: *Preserve funding for the Justice Reinvestment grant program, which funds community-based programs that help people succeed outside of prison, such as community corrections, re-entry programs, addiction treatment, and mental health services. These programs have been shown to increase public safety and ultimately reduce the demand for costly prison resources.* 


Result: The February session was successful for public safety stakeholders protecting current funding for the Justice Reinvestment grant program for reentry and recidivism reduction. Recent forecasts on the prison usage exceeding previous forecasts had fueled rumors that the Legislature might need to divert funding from justice reinvestment to help open additional prison beds. Fortunately, the Legislature kept its commitment with the \$40 million that it had allocated to the program in the 2015 legislative session.

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## TOURISM


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### Oregon Skiing Activities Statute

Goal: *Support efforts to update Oregon's Ski Activities statutes, which have remained unchanged since their creation in 1979. As currently written, the statutes do not address modern equipment, new activities and modes of conveyance, or attractive features such as terrain parks. The lack of references and definitions is causing ambiguity surrounding issues of liability.* 

Result: Rep. Mark Johnson introduced **HB 4077** – a priority for operators on Mt. Hood including Timberline Lodge - which sought to update the Oregon Skiing Activity statute. The bill ultimately died in committee due to disagreements between operators and trial lawyers on defining freestyle terrain as an inherent risk. However, Rep. Johnson successfully amended the Transient Lodging Tax bill (**HB 4146**), which passed on the last day of session, requiring a legislative work group to study barriers to expansion and maintenance of recreational tourism. It is hoped that this will allow for a conversation on the topic and yield progress on the issue during the 2017 session. [Appendix B: HB 4077 Policy Statement]

### Transient Lodging Tax (TLT)

Goal: *Ensure fee and policy adjustments to the Transient Lodging Tax (TLT) are consistent with their original intention; Retain local capacity within the TLT to meet countywide needs; Maintain* 

*legislatively-established levels of funding for Regional Cooperative Marketing Programs (RCMPs) across the state; Support collaborative information sharing by the State to positively affect enforcement across jurisdictions.*

**Result:** Rep. Nancy Nathanson introduced **HB 4146**, a bill to increase the state transient lodging tax (TLT), which passed the Legislature on the last day of session after significant revisions. Upon introduction, the bill originally sought to increase the state transient lodging tax (TLT) rate from 1 percent to 2 percent with the impetus being to help pay for the 2021 World Outdoor Track and Field Championship in Eugene. The bill also proposed an increase to the regional cooperative marketing program, from the current “as much as 15 percent” to a permanent 15 percent. Clackamas County and Oregon’s Mt. Hood Territory worked closely with the City of Portland, Metro, Multnomah County, and Travel Portland in strong opposition to the bill. In particular, Clackamas County argued that the bill: 1) failed to adequately scrutinize a doubling of Travel Oregon’s budget; 2) diminished local and regional competitiveness; 3) threatened local revenue generation; and 4) introduced uncertainty for successful regional tourism marketing efforts. Significant negotiations and involvement by Governor Brown led to a final bill that increases the state TLT by 0.8 percent for four years and by 0.5 percent thereafter, effective July 1. The bill also distributes more revenues to local communities, specifically 20 percent to regional cooperative tourism programs and 10 percent to fund a competitive matching grant program for tourism-related projects, including facilities and events. The remaining revenue goes to the Oregon Tourism Commission (Travel Oregon). Finally, the bill requires an interim work group to address a variety of important lodging tax administration issues, including revenue distribution and the sharing of state and local lodging tax information to improve the enforcement and collection of local TLTs. [Appendix B: HB 4146 BCC Floor Letter; Appendix C: HB 4146 Joint Floor Letter]

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## **TRANSPORTATION & DEVELOPMENT**

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### **Roadway Policy and Funding**

**Goal:** *Advocate for state transportation policy and funding that supports the maintenance and construction of roads in order to improve the reliability and safety of our transportation system and meet the needs of our interconnected economy.*



**Result:** While the Governor and legislative leadership were clear before session that a transportation package would not be considered until the 2017 session, the County continued to lay the groundwork for transportation funding by educating legislators on the County’s transportation needs and actively participating in the Oregon Transportation Forum (OTF). To begin shaping the discussion for the 2017 session, the Legislature is likely to hold an informational hearing on the issue during May Legislative Days, at which the County would testify to share our views.

## Transit

Goal: *Oppose proposed transit legislation that could negatively impact funding to support the maintenance and construction of roads.*



Result: The County successfully opposed two proposed transit bills during the course of session:

**SB 1510** would have expanded TriMet's ability to invest bond proceeds on transportation facilities on which it does not physically operate. During the last week of session, the bill was sacrificed by legislative leadership in the pursuit of other priorities due to Republican objections to the bill. In its opposition, the County argued that the bill had the potential to threaten local transportation dollars and also authorize new spending authority that could be exercised across state lines. The County's concerns were reflected in a floor letter that was introduced by Sen. Alan Olsen. [Appendix B: SB 1510 Letter]

**SB 1521** would have authorized mass transit districts that levy employer-paid payroll taxes to levy an employee-paid payroll tax. The County successfully opposed the bill, which was moved to the Senate Rules Committee where it died. The County argued that the bill would have enabled the non-elected TriMet board of directors to impose this excise tax on employees and threaten future public support for raising new revenues for road maintenance. Chair Ludlow also testified before the Senate Business and Transportation Committee in opposition to the bill. [Appendix B: SB 1521 Policy Statement]

## Sunrise Phase II Funding

Goal: *Advocate for state funding to support extension of the Sunrise System from 122<sup>nd</sup> Ave. to 172<sup>nd</sup> Ave. or other operational enhancements that contribute to the entire Sunrise System. This project is vital to improving access to thousands of acres of employment lands, many of which are ready for development.*



Result: While the Legislature did not consider a transportation package in the 2016 session, the County continued to educate legislators and staff on the County's transportation funding needs and project priorities including Sunrise Phase II. Depending on the scale of a legislative transportation package, this project has the potential for funding during the 2017 session.

## I-205 Expansion Funding

Goal: *Advocate for state funding to support an additional lane of capacity in each direction of I-205 from Stafford Road to OR 99E. The Oregon portion of I-205 is federally designated as a High Priority Corridor and is of vital importance to the Portland metropolitan region. Without additional travel lanes, this section of I-205 will be overwhelmed by forecasted traffic volumes and will negatively impact regional freight mobility.*



Result: While the Legislature did not consider a transportation package in the 2016 session, the County continued to educate legislators and staff on the County's transportation funding needs

and project priorities including I-205 expansion. Depending on the scale of a legislative transportation package, this project has the potential for funding during the 2017 session.

## **Marijuana**

Goal: *Support legislation to merge recreational and medical marijuana regulation and enforcement; Support legislation that clarifies the ability of local governments to regulate time, place, and manner of marijuana; Monitor and influence changes to the marijuana tax and revenue distribution.*



Result: The Legislature passed a number of bills changing the regulations for Oregon's new recreational marijuana system. Some of these concepts took the first step towards combining Oregon's Medical Marijuana Program (OMMP) and the new system. The following is a summary of the four primary bills that passed during the session:

**HB 4014**, known as the "Base Bill," provides that an OLCC marijuana business license applicant, rather than OLCC, is to ask for a land use compatibility statement (LUCS) from local government; that a LUCS need not be processed by local government pending an opt out election; exempts some OLCC applicant and licensee information from public disclosure (such as grow locations), with an exception for law enforcement; clarifies local authority to repeal an opt out ordinance; clarifies the effective date of a local opt-in following election; give the Department of Revenue authority to enter into an IGA for the collection of local marijuana taxes; rewrites and adjusts many marijuana offenses; provides that parole, probation, pre-trial, and diversion conditions related to the use of medical marijuana by a cardholder are to be treated like prescription drugs; and establishes the aforementioned youth marijuana-use prevention pilot project.

**SB 1511**, known as the "Expanded Access Bill," permits OLCC retail licensed growers, processors, and retailers to also produce, process, and sell medical marijuana. A retail shop will be able to sell medical grade products to medical marijuana patients, and medical dispensaries will likewise be able to sell the lower potency recreational products to adult users. The bill also expands "early start" retail sales through dispensaries to edibles, topicals, and extracts, provides some temporary stays of the new medical marijuana grow site plant limits; and allows local governments to permit dispensaries and retailers within 500 feet of a school if there is a geographic barrier between them (such as a river).

**SB 1598**, known as the "Third Bill" or the "Marijuana Christmas Tree Bill," exempts certain small canopy medical growers from LUCS requirement, makes designated medical marijuana grows and research grows a "farm crop," clarifies that local time, place and manner ordinances are not trumped by right to farm, and grandfathers certain opaque agricultural buildings used to grow medical marijuana from new setback requirements applicable to retail operations.

**HB 4094**, known as the "Banking Bill," removes state law barriers to banks serving marijuana businesses.

## Land Use (Subregional Analysis)

Goal: *Support solutions to address Clackamas County's shortage of long-term employment lands, including subregional analysis.*



Result: As mentioned in the affordable housing section above, efforts to address affordable housing in Oregon was one of the major focuses of the 2016 Legislature. Prior to and during the course of session, the County worked on two separate bills that had the potential to address subregional analysis:

**SB 1575**, introduced by Sen. Chris Edwards, included the County's concept language granting permissive authority to Metro to look at local (subregional) land needs when evaluating a potential expansion of its urban growth boundary. In the face of significant opposition, the bill died in committee. The County advocated in support of the bill and Commissioner Smith testified before the Senate Human Services and Early Childhood Committee. [Appendix B: SB 1575 Policy Statement]

The County also worked with Sen. Lee Beyer to amend **SB 1573** with language granting permissive authority to Metro to look at subregional land needs when evaluating a potential expansion of the urban growth boundary. Though the bill ultimately passed the Legislature, it became part of a four-bill deal on affordable housing and was amended to only address voter-approved annexation. [Appendix B: HB 1573 BCC Support Letter]

While the subregional concept failed to advance during the session, the County made a great deal of headway in educating legislators and regional partners on the need to assess local job and housing needs. In addition, the County will have an opportunity to continue focusing on this issue in a Metro-convened Task Force in 2016, which may ultimately lead to proposed legislative fixes during the 2017 session.

## Land Use (Voter-Approved Annexation)

Goal: *Support solutions to address Clackamas County's shortage of long-term employment lands, including voter-approved annexations.*



Result: As mentioned in the affordable housing section above, efforts to address affordable housing in Oregon was one of the major focuses of the 2016 Legislature. During the course of session, the Speaker made clear that four separate bills related to housing issues would be tied together and that they would all pass or all fail together. Among the bills that ultimately passed, the deal included **SB 1573**, introduced by Sen. Lee Beyer. Upon introduction, SB 1573 included language to address voter-approved annexation ordinances of cities and to designate the Borland area of Stafford as urban reserve. However, near the end of session, an amended version of the bill passed with language only addressing voter-approved annexation. Specifically, the final version prevents votes on annexations in which: all owners of impacted property agree to the annexation; the land is within the urban growth boundary and subject to an acknowledged comprehensive plan; and the petition meets all other city requirements for annexation. The

decision to approve the annexation in those instances will be left to the city council's discretion, and city residents cannot vote on the petition.

# 2016 State Legislative Summary

## Appendix A

### Clackamas County 2016 State Legislative Agenda

2016

# Clackamas County State Legislative Agenda

## Clackamas County Board of Commissioners

John Ludlow - Chair   Jim Bernard   Paul Savas   Martha Schrader   Tootie Smith

### ***Oregon counties and the state are partners in delivering vital public services.***

As governmental bodies close to local communities, counties are on the front line of coordinating and delivering many shared state-county services to the public. Counties work in close partnership with the state to ensure that services are delivered at the local level in a responsive, efficient, and effective manner.

### ***Oregon counties and the state are partners in policy making.***

Counties are participating in the transformation of large public service systems and bring expertise, experience, and resources to matters of statewide concern.

### **Clackamas County Public and Government Affairs**

#### ***Director***

Gary Schmidt  
503-742-5908  
gschmidt@clackamas.us

#### ***Government Affairs Manager***

Chris Lyons  
971-202-3007  
clyons@clackamas.us

#### ***Government Affairs Specialist***

Trent Wilson  
503-655-8206  
twilson2@clackamas.us



## FINANCE

### **Financial Sustainability**

Monitor and influence proposed legislation to ensure adequate and stable funding of county programs and services. Counties partner with the state to provide vital public services and are on the front line of ensuring that services continue and reach those who need them.

### **State/County Shared Revenue Agreements**

Preserve counties' share of tobacco, liquor, video lottery, and recreational vehicle fee revenue. Monies received by counties fund economic development programs, county park and recreation areas, and essential front line services, including sheriff's patrol, jails, and health services.

### **Preemption and Local Control**

Oppose preemption of local tax sources and other efforts to restrict local government authority. Local control allows counties to create and fund programs that foster innovation and address the unique needs of their communities.

### **Public Contracting**

Support considerations to the Public Contracting Code (ORS 279) that promote responsible use of public resources for local agencies.

## ECONOMIC DEVELOPMENT

### **Industrial Lands**

Support legislation to increase the supply of available land ready for industrial development; Support state financing and incentives to assist local governments in constructing infrastructure and preparing shovel-ready industrial sites.

### **Enterprise Zones**

Support the creation of additional Enterprise Zones in Oregon; Oppose measures that would mandate prevailing wage requirements on private industries within Enterprise Zones.

### **Brownfields**

Support legislation that facilitates redevelopment of vacated industrial sites, through measures such as recapitalizing the state Brownfields Redevelopment Fund, creating property tax incentives, and creating state tax credits.

### **Parks**

Support legislation related to System Development Charges, land use and development policies promoting local parks, recreation, and natural areas.

### **Willamette Falls Locks**

Support legislation aligning with the County's resolution to see the Willamette Falls Locks repaired and reopened.



## TOURISM

### **Transient Lodging Tax (TLT)**

Ensure fee and policy adjustments to the Transient Lodging Tax (TLT) are consistent with their original intention; Retain local capacity within the TLT to meet countywide needs; Maintain legislatively-established levels of funding for Regional Cooperative Marketing Programs (RCMPs) across the state; Support collaborative information sharing by the State to positively affect enforcement across jurisdictions.

### ***Oregon Skiing Activities Statute***

Support efforts to update Oregon’s Ski Activities statutes, which have remained unchanged since their creation in 1979. As currently written, the statutes do not address modern equipment, new activities and modes of conveyance, or attractive features such as terrain parks. The lack of references and definitions is causing ambiguity surrounding issues of liability.



## **HEALTH, HOUSING AND HUMAN SERVICES (H3S)**

### ***Funding for Health and Human Services***

Preserve state funding levels for health and human services programs – behavioral health, social services, public health, children, youth & families, community solutions, developmental disabilities – to enable Clackamas County programs to continue at current service levels and, in some cases, provide additional prevention, support, and treatment services to vulnerable individuals and families.



### ***Affordable Housing and Support Services***

Support efforts to create and preserve affordable housing and support services for moderate, low, and very low income residents and those experiencing homelessness.

- Preserve state funding levels for the Emergency Housing Account (EHA) and State Homeless Assistance Program (SHAP);
- Preserve state funding levels for senior programs, including Oregon Project Independence, Health Promotion activities, abuse prevention activities through the Gatekeeper program, and the Options Counseling program;
- Increase funding for veterans’ housing needs to meet the rise in the number of homeless veterans in Clackamas County; and
- Support legislation requiring Oregon Housing and Community Services to distribute National Housing Trust Funds to local jurisdictions.

### ***Recreational Marijuana***

Support efforts to regulate accessibility, marketing, and packaging of cannabis products targeting young consumers.

### ***Future of Public Health Services Task Force***

Support legislation that implements recommendations of the Task Force on the Future of Public Health Services, which was established by the Legislature in 2013 to modernize Oregon’s public health system.

### ***Mental Illness***

Support legislation establishing community-based alternatives to incarceration for the purpose of diverting persons with serious mental illness from entering the criminal justice system, or linking people with serious mental illness to community-based services upon release to prevent further involvement in the criminal justice system.

### ***Veterans Tax Relief***

Support legislation that grants a higher property tax exemption for disabled veterans.

## **PUBLIC SAFETY**

### ***9-1-1 Operations and Funding***

Support legislation to improve operations and funding for 9-1-1 centers:

- Support new spending authority to allow for the installation of the Next Generation 9-1-1 network; Support funding allocated to frame relay network upgrades.
- Oppose state-mandated consolidation of 9-1-1 centers and preserve local control of consolidation decisions.

### **Juvenile Crime Prevention Funding**

Advocate for Juvenile Crime Prevention (JCP) funding from the Youth Development Council at the highest funding level possible, which provides approximately \$206,000 annually to the County Juvenile Department.

### **Oregon Juvenile Code**

Oppose any statutory change to the Oregon Juvenile Code until adequate exploration of best practices by juvenile justice experts.

### **Justice Reinvestment**

Preserve funding for the Justice Reinvestment grant program, which funds community-based programs that help people succeed outside of prison, such as community corrections, re-entry programs, addiction treatment, and mental health services. These programs have been shown to increase public safety and ultimately reduce the demand for costly prison resources.



## **EMPLOYEE SERVICES**

### **Veterans' Preference**

Support legislation that clarifies veterans' preference requirements in the public hiring process while giving veterans meaningful preference in the process.

### **Public Employees Retirement System (PERS)**

Support legislation reducing the volatility of employer contributions and maintaining an adequate retirement program for employees.

### **Collective Bargaining**

Oppose legislation affecting interim bargaining negotiations that reduces employer flexibility between contract periods and threatens scarce public resources.

### **Definition of a Supervisor**

Oppose legislation permitting bargaining units of only supervisory personnel.

## **TRANSPORTATION & DEVELOPMENT**

### **Roadway Policy and Funding**

Advocate for state transportation policy and funding that supports the maintenance and construction of roads in order to improve the reliability and safety of our transportation system and meet the needs of our interconnected economy.

### **Sunrise Phase II Funding**

Advocate for state funding to support extension of the Sunrise System from 122nd Ave. to 172nd Ave. or other operational enhancements that contribute to the entire Sunrise System. This project is vital to improving access to thousands of acres of employment lands, many of which are ready for development.



### **I-205 Expansion Funding**

Advocate for state funding to support an additional lane of capacity in each direction of I-205 from Stafford Road to OR 99E. The Oregon portion of I-205 is federally designated as a High Priority Corridor and is of vital importance to the Portland metropolitan region. Without additional travel lanes, this section of I-205 will be overwhelmed by forecasted traffic volumes and will negatively impact regional freight mobility.

### **Marijuana**

Support legislation to merge recreational and medical marijuana regulation and enforcement; Support legislation that clarifies the ability of local governments to regulate time, place, and manner of marijuana; Monitor and influence changes to the marijuana tax and revenue distribution.

### **Land Use**

Support solutions to address Clackamas County's shortage of long-term employment lands, including subregional analysis and voter-approved annexations.

# 2016 State Legislative Summary

## Appendix B

### Clackamas County Policy Statements and Letters



February 9, 2016

**Clackamas County Board of Commissioners**  
**Policy Position**  
**HB 4077: Relating to liability arising out of skiing**

**Clackamas County supports HB 4077:** The Board of County Commissioners supports HB 4077, which modernizes the Oregon Skiing Activity Statute by adding into the statute modern equipment, modes of conveyance, and constructed terrain features which are present at most ski areas. The Oregon Skiing Activity statute has not changed since its creation in 1979.

Clackamas County hosts three ski operators on Mt. Hood, including: Timberline Lodge and Ski Area, Mt. Hood Skibowl, and Summit Ski Area. While Clackamas County offers many attractions and amenities to encourage tourism in Oregon, Mt. Hood remains the crown jewel attracting countless visitors from across Oregon, the nation, and the world. Alpine sports continue as a trending recreational attractor and have seen many technological advances in recent years to increase the variety of ski sporting options. This wide range of users has increased traffic on ski slopes and led to increased potential liability for the ski area operators while at the same time bringing less clarity regarding the responsibility of skiers. Clackamas County wishes to see these providers protected in ways that are fair and reasonable to ensure their service and industry are not in jeopardy of frivolous lawsuits, potentially reducing access to the ski areas for other users.

HB 4077 provides greater clarity regarding ski area operator duties and skier responsibilities related to the “inherit risk of skiing”. In short, this bill encourages dated ski area laws to be updated for modern users and a modern industry. We urge a “yes” vote for HB 4077.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.



## Clackamas County Requests Your OPPOSITION to HB 4146-A

On behalf of the Clackamas County Board of Commissioners, I urge your no vote on HB 4146-A in its current form. The bill increases the state transient lodging tax (TLT) by 100% - from 1% to 2%. While we are receptive to potential changes in the state TLT, the current proposal should be opposed for the following reasons:

### **Fails to Adequately Scrutinize Doubling of Travel Oregon Budget**

HB 4146-A is a permanent 100% increase to Travel Oregon's budget. While we acknowledge that some statewide resources should be used to support the 2021 Track and Field Championships, only a small portion of the additional revenues generated by a doubling of the state's TLT will be used for this event. Meanwhile, we are aware of no plan from Travel Oregon on how it will use the remainder of the additional funds, which are projected to be \$34.2 million for the 17/19 biennium. We also have seen no needs assessments and we are not aware of any "opportunities lost" because Travel Oregon lacked sufficient resources. We feel that additional scrutiny is needed to truly assess how these dollars will be spent before an increase is imposed.

### **Diminishes Local and Regional Competitiveness**

A 1% increase comes at a significant cost to local jurisdictions and regional partners – particularly in the Portland Metro region – by diminishing our competitiveness to attract meetings and convention business. This, in turn, threatens the spillover effect that we see in Clackamas County and other nearby jurisdictions when these visitors choose to recreate to nearby destinations like Mt. Hood.

### **Threatens Local Revenue Generation**

HB 4146-A diminishes our ability to increase our own local TLT that would directly fund local tourism projects. This bill will make it challenging, if not impossible in the near-term, to garner public support to raise our local TLT – 100% of which would be used to benefit Clackamas County. Meanwhile, we have no guarantee that HB 4146-A as drafted would return significant new dollars back to our local jurisdiction.

### **Introduces Uncertainty for Successful Regional Tourism Marketing Efforts**

While we appreciate that HB 4146-A clarifies that 15% of state TRT dollars will be dedicated to the existing Regional Cooperative Marketing Program (RCMP), we are concerned by the proposed interim work group to study the distribution of revenue within this program. This is the only regional sharing program under the state TLT. It enables local partners to work regionally on broader-based efforts that generate increased visitation for all partners. It is just a small portion of the state TLT and should be left as a regional sharing program that allows local partners to participate in larger tourism efforts they could not accomplish on their own.

**Please vote "NO" on HB 4146-A in its current form.**

Sincerely,

John Ludlow, Chair  
Clackamas County Board of Commissioners

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.



## **Clackamas County Requests Your OPPOSITION to SB 1510-B**

On behalf of the Clackamas County Board of Commissioners, I write to urge your no vote on SB 1510-B. The bill provides statutory authority for TriMet to expend certain funds on transportation facilities on which it does not physically operate. While we are receptive to innovative ideas to help fund projects to alleviate our region's severe transportation congestion, the current proposal raises a number of questions that cannot be adequately answered in the time afforded by a short session. The unintended consequences of passing this bill, without the proper vetting, have the potential to be far-reaching.

### **Threatens Local Transportation Dollars**

SB 1510 would allow TriMet to spend bond funds on highways. In turn, TriMet could then seek funding through the Metropolitan Transportation Improvement Program (MTIP) or Statewide Transportation Improvement Program (STIP) to make the bond payments. This has the potential to greatly decrease the already scarce capital funds currently available to local governments through the current MTIP and STIP processes. It also could compete with opportunities created by the new federal Fixing America's Surface Transportation Act (FAST Act) legislation to fund expansion of I-205.

Additionally, by giving TriMet this new authority, SB 1510 may compel the agency to compete for traditional project funding from the aforementioned funding sources currently utilized by local governments, such as MTIP and STIP. As a result, local governments would see an even greater degree of competition for these scarce dollars. Ultimately, fewer resources may be allocated toward local projects that are in desperate need of transportation dollars.

### **Authorizes New Spending Across State Lines**

Should TriMet choose to expand operations into Vancouver, Washington, this bill would give the agency the authority to invest in non-transit transportation infrastructure outside the State of Oregon. While these investments may be beneficial to transit operations, monies intended to be spent on Oregon's transportation system should remain in the state rather than being spent in Clark County.

**Please vote "NO" on SB 1510-B.**

Sincerely,

John Ludlow, Chair  
Clackamas County Board of Commissioners

*Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.*



February 7, 2016

**Clackamas County Board of Commissioners**  
**Policy Position**  
**SB 1521: Relating to Taxation**

The Clackamas County Board of County Commissioners opposes SB 1526, which enables mass transit districts to impose an excise tax on the employees of employers within their district.

Clackamas County currently has one mass transit district, TriMet, and three municipal transit agencies that service residents in our County. While the municipal transit agencies are governed by elected officials, TriMet is not. SB 1521 would enable the non-elected board of directors at TriMet to impose this excise tax on the employees of businesses within their district – raising roughly \$70,000,000 per year. We believe the employees of these businesses, many of whom do not use public transportation, would reject the fee if posed to them by ballot. Our fear is that the Legislature will not give employees that option.

Meanwhile, Clackamas County and many other local jurisdictions struggle to find dollars to maintain their roads. Our greatest tool to achieving these funding shortfalls is through vehicle registration fees and increased gas taxes. SB 1521 will make it challenging, if not impossible, to garner public support for these critical transportation dollars. Dollars imposed from SB 1521 will not improve roads or add critical infrastructure, but rather will increase the number of large buses driving over these failing transportation facilities that desperately need additional maintenance dollars.

We urge a “no” vote on SB 1521.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.





February 10, 2016

**Clackamas County Board of Commissioners  
Policy Position  
SB 1532: Relating to Minimum Wage**

**Clackamas County opposes SB 1532:** The Board of County Commissioners opposes SB 1532, which establishes a tiered system for determination of minimum wage based on size and geographic location of employer. Clackamas County feels this legislation is proposing too much and seeking to implement changes at too quick a rate. We also worry SB 1532 will drive industry and businesses away from areas within the state, and possibly out of Oregon entirely, where lower wage and entry level positions support communities.

We do not disagree that wage disparity exists, but feel it can be met with other policy changes rather than a minimum wage increase. Alternative policy could include addressing affordable housing costs and making reasonable land use laws that encourage traded sector industry to locate in Oregon. We believe policy changes of this nature would help to address the unwieldy rises in single and multifamily homes and also provide more family wage jobs to shorten the wage gap.

We urge a “no” vote for SB 1532.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.



February 01, 2016

**Clackamas County Board of Commissioners  
Policy Position**

**SB 1559: Relating to regulation of tobacco or inhalant delivery system retail licensing**

**Clackamas County opposes SB 1559 as currently drafted.** The Board of County Commissioners opposes SB 1559, which requires persons selling tobacco products or inhalant delivery systems in this state to be licensed by the Department of Revenue.

Clackamas County is supportive of creating a strong tobacco retail licensure program in Oregon that will better protect children from getting addicted to tobacco. However, the current version of SB 1559 includes three preemptions on the ability for counties to control the retail environment (see Section 13 – Preemption). Currently, the Clackamas County Board of Commissioners is evaluating options for a stronger form of local tobacco retail licensing and this current version of SB 1559 would remove our local control.

We urge a “no” vote for SB 1559 as currently drafted.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.



## **Clackamas County Supports Continued Discussion Regarding Local Land Needs in Metro Land Use Planning**

On behalf of the Clackamas County Board of Commissioners, thank you for your work to find a solution to the issue of voter-approved annexation through SB 1573. We are very aware of the consequences of this issue on lands within the Metro urban growth boundary (UGB) and agree that a fix is needed to ensure an orderly transition of unincorporated lands to urban uses.

In addition to resolving this issue, Clackamas County looks forward to participating in a Metro-convened Task Force throughout 2016 looking at how to improve the region's urban growth management process. As part of this effort, we will continue to highlight Clackamas County's lack of a long-term employment land supply. Last year, a study by Johnson Economics and Mackenzie confirmed that Clackamas County needs an additional 1,100 acres of employment land, including a supply of large-lot industrial sites, to meet and service population growth in the region.

To help address this issue, and others, Metro needs the ability to analyze land need on a local, or sub-regional, level. As you may know, Metro manages the land supply for the Portland metro area – which contains 1.6 million people and 25 cities. Fifty miles separate Damascus, on the eastern edge of our region in Clackamas County, and Forest Grove on the western edge in Washington County. Each city has its own aspirations, needs, and development patterns. Different parts of the region may have imbalances between jobs and housing. Currently, however, Metro is prohibited from adding land to the urban growth boundary in one part of the region if there is land available in any other area. For example, Metro is unable to expand the urban growth boundary to meet a land need in Troutdale or Oregon City if there is available land in Forest Grove or Cornelius – no matter how compelling the need is at the local level. That is not how we build complete communities, and the region is too large and too congested to do otherwise.

Metro should be permitted to examine jobs and housing needs at a sub-regional level. Without this tool, regional land use decisions will continue to increase traffic on failing infrastructure, will continue to increase gaps in opportunities for communities within the UGB, and will continue to inflate home prices that restrict low-income buyers and renters from establishing themselves in the region. This does not fit with Metro's Climate Smart goals, it does not match their goals to see more affordable housing in the region, and it handicaps jurisdictions within the UGB from servicing their residents and attracting new business.

We look forward to returning to the Legislature in 2017 with solutions intended to address our region's land use challenges.

Thank you for your leadership on this important issue. We look forward to continuing to work with you on these important matters.

Sincerely,

John Ludlow, Chair  
Clackamas County Board of Commissioners

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.



February 8, 2016

**Clackamas County Board of Commissioners**  
**Policy Position**  
**SB 1575: Relating to housing**

The Clackamas County Board of County Commissioners unanimously and strongly supports Section 9 of SB 1575, which grants permissive authority to Metro to look at local (subregional) land needs when evaluating a potential expansion of its urban growth boundary (UGB).

Metro manages the land supply for the Portland metro area, which contains 1.6 million people and 25 cities. More than 50 miles separate Damascus, in the east, from Forest Grove in the west. Each city in the Metro region has its own aspirations, needs, and development patterns.

Currently, however, a 2005 Court of Appeals case prohibits Metro from adding land to the UGB in one part of the region if there is land already available in another area – no matter how compelling the need is at the local level. While this is not an issue for the majority of communities in Oregon, the distance across the Metro region is simply too great to not allow for an analysis of needs at the local level. The prohibition on assessing local needs is leading to a significant housing and jobs imbalance in the region.

SB 1575 would grant Metro the flexibility to analyze local land needs when evaluating a potential expansion of the UGB. This new tool would allow Metro to better assess local housing and job land needs in the Portland metro area when and where appropriate, and in turn, make changes to the UGB to best reflect those needs. We feel that this will improve the jobs and housing balance across the region while giving local jurisdictions a greater voice in how their communities grow.

We urge strong support for this subregional analysis provision.

Please contact Chris Lyons at [clyons@clackamas.us](mailto:clyons@clackamas.us) for more information.

# 2016 State Legislative Summary

## Appendix C

### Coalition Letters

# HB 4031: Coordinated Student Success Act of 2016

## Tackling Chronic Absenteeism Using Trauma-Informed Strategies

Oregon has seen chronically poor academic outcomes for a key segment of the student population with low standardized test scores, high dropout rates, and high absenteeism. This leads to long term health issues, chronic diseases, workforce challenges, higher incarceration rates, and dramatically higher long term costs on a variety of state programs. Absenteeism, while a concern for all students, disproportionately affects low-income children, students from certain racial and ethnic groups, and those with disabilities. Student health issues, including physical and behavioral health, are a leading cause of student absenteeism.

### PROBLEM

Children who experience trauma are:

- 5x more likely to have severe attendance issues
- More than 2x likely to be suspended
- 6x more likely to experience behavioral problems
- Have a reduced reading ability
- Have lower grade point averages
- 23% of Oregon 11th graders report being intentionally hit or physically hurt by an adult
- Nearly 30% of Oregon 11th graders report missing school because of emotional health reasons

### SOLUTION

Design and implement a 3-year pilot project to develop a trauma-informed approach to education, health services, and intervention strategies in high-need communities.

- Use national models, tailored to the specific communities in Oregon, coordinating schools with coordinated care organizations, public health, non-profits, justice system, parents, etc.
- Pilot schools take advantage of an existing school-based health center (SBHC) or equivalent school-based system for providing behavioral health services and care coordination.
- Require a minimum community match for each project and pursuit of new Federal grant funding.
- Develop a comprehensive evaluation plan.

### Trauma-Informed Schools

Research shows that adverse childhood experiences, also known as childhood traumas, are a barrier to academic success. **A trauma-informed school:**

- *Realizes* both the widespread impact of trauma and the role of schools in promoting resiliency
- *Recognizes* the signs and symptoms of trauma in students, families and staff
- *Responds* by fully integrating knowledge about trauma into policies, procedures, and practices
- *Resists* re-traumatization of students and staff and fosters resiliency



February 1, 2016

Rep. Phil Barnhart, Chair  
House Committee on Revenue  
900 Court Street NE  
Salem, OR 97301

**RE: Support for House Bill 4084 – Brownfield Property Tax Incentive Program**

Dear Chair Barnhart and Members of the Committee:

The members of the Oregon Brownfield Coalition listed below would like to offer their support of House Bill 4084, which authorizes local governments to provide a property tax incentive program for the remediation of brownfield sites.

This legislation can help to address the high costs of brownfield remediation that often plague redevelopment opportunities throughout our communities in Oregon. Additionally, enabling local jurisdictions to create and incentivize their own programs in a way that matches local values and community needs is critical to their long-term use and success. Although a suite of tools will be needed to address the ongoing brownfield issue in Oregon, this bill represents a very important step in expanding the solutions available to local communities.

Thank you for your continued support of our efforts to make our communities safer and more economically viable through brownfield cleanup and redevelopment.

Sincerely,

Associated Oregon Industries  
Association of Oregon Counties  
City of Beaverton  
City of Bend  
City of Eugene  
City of Gresham  
City of Hillsboro  
City of Medford  
City of Portland  
City of Salem  
City of Tigard  
City of Wilsonville  
Clackamas County  
Columbia Corridor Association  
League of Oregon Cities

Metro  
Multnomah County  
Northwest Environmental Business  
Council  
Oregon Business Plan  
Oregon Economic Development  
Association  
Oregon Public Ports Association  
Oregon State Building & Construction  
Trades Council  
Port of Portland  
Portland Business Alliance  
Special Districts Association of Oregon  
Sussman Shank, LLP  
Washington County

# VOTE YES on House Bill 4084

## Authorizes local governments to offer property tax incentives to stimulate brownfield cleanup and redevelopment

Many of the more than 13,500 brownfields in Oregon have sat idle for years without the landowners investing in cleanup and redevelopment. These properties pose potential threats to human health and the environment and represent “dead zones” that undermine economic development, degrade community livability, and depress the value of neighboring properties. Cleanup of these sites can eliminate blight and health hazards, return the sites to productive use, create jobs and increase local and state tax revenues.

HB 4084 authorizes a city, county or port to adopt a property tax incentive program to spur the remediation of brownfield sites. By offering property tax reductions linked to cleanup costs, local governments can offset some or all of the high costs of remediation that often constitute a barrier to redevelopment, thereby helping to end the cycle of disinvestment in brownfields. Additionally, HB 4084 enables local jurisdictions to shape their programs in a way that matches local values and community needs, which is critical to their long-term use and success. (See reverse for summary of provisions.)

Although a suite of tools will be needed to address the ongoing brownfield issue in Oregon, this bill represents a very important step in expanding the range of solutions available to local communities. Of course, adoption of a property tax incentive program under this legislation is completely optional for a local government.

The entities below urge you to support HB 4084.





## **HB 4084: Property Tax Incentives for Brownfield Cleanup Summary**

- Authorizes a local government (city, county or port), by resolution or ordinance, to adopt a program providing property tax incentives to landowners for cleanup and redevelopment of contaminated sites
- Incentives include special assessment for land value and exemption for value of improvements and personal property
- Program may offer incentives for up to 10 years, with the option to extend for 5 years according to locally determined criteria contained in the ordinance or resolution
- Total tax benefit may not exceed cost of cleanup
- Cleanup must be conducted according to an agreement with, an order of, or a process or program authorized by DEQ
- Adoption of a property tax incentive program is completely optional for the local government, which can shape its program to meet local needs – or choose not to create a program at all
- Eligibility is limited to property owners who did not cause, contribute to or exacerbate contamination at the brownfield
- Excludes properties under central assessment, federal Superfund sites, and state-appraised industrial property (generally industrial properties valued at \$1 million or more)
- Bill lays out application requirements, eligible costs, clawback requirements in case of violations
- Local program doesn't go into effect unless taxing districts representing 75% of total combined rate agree
- 10-year sunset

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- Adoption of a property tax incentive program is completely optional for the local government, which can shape its program to meet local needs – or choose not to create a program at all
- Eligibility is limited to property owners who did not cause, contribute to or exacerbate contamination at the brownfield
- If property changes hands, it remains eligible for incentives as long as new owner continues to meet eligibility requirements and other obligations of the program
- Excludes properties under central assessment, federal Superfund sites, and state-appraised industrial property (generally industrial properties valued at \$1 million or more)
- Bill lays out application requirements, eligible costs, clawback requirements in case of violations
- Local program doesn't go into effect unless taxing districts representing 75% of total combined rate agree
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# VOTE “NO” ON HOUSE BILL 4146A SUPPORT A COMPROMISE APPROACH



## REDUCED LOCAL OPTIONS

HB 4146A increases the statewide transient lodging tax (TLT) by 100% – from 1% to 2%. This doubling of the statewide tax will eliminate options for local communities to address their own tourism needs due to limited capacity for local TLTs on top of this significant state increase. Locally controlled dollars can be bonded against and used to enhance existing tourism facilities or build new attractions.

## DIMINISHED COMPETITIVENESS IN METRO AREA

HB 4146A will diminish the ability of the Greater Portland Region to compete for meetings and convention business among comparable cities. With this increase, the Portland area would have higher lodging taxes than most of its closest competitors, including Austin, Denver, Minneapolis, and Sacramento. Conventions bring visitors that stay and explore Oregon, contributing economic benefit and tax revenues to the state.

## A COMPROMISE APPROACH

Understanding these impacts, a coalition of tourism partners developed a compromise approach of a 0.5% increase, along with a competitive grant program for sporting and other tourism related events, which still allows Travel Oregon sufficient revenues to accomplish their goals without sacrificing the ability of local jurisdictions to meet their own needs.

Please support a reasonable middle ground compromise of a 0.5% increase to the statewide TLT. Vote “no” on HB 4146A in its current form.

From the desk of Rep. Vega Pederson

Elizabeth Edwards, City of Portland, 503-823-8450  
Randy Tucker, Metro, 503-797-1512  
Chris Fick, Multnomah County, 503-988-7047

Gary Oxley, Travel Portland, 503-241-3155  
Chris Lyons, Clackamas County, 971-202-3007



**BOARD OF COUNTY COMMISSIONERS**

**PUBLIC SERVICES BUILDING**  
2051 KAEN ROAD | OREGON CITY, OR 97045

February 10, 2016

Honorable Peter Courtney, Senate President  
900 Court St. NE, S-201  
Salem, OR 97301

Honorable Tina Kotek, House Speaker  
900 Court St. NE, Room 269  
Salem, OR 97301

Honorable Richard Devlin  
900 Court St. NE, S-211  
Salem, OR 97301

Honorable Peter Buckley  
900 Court St. NE, H-272  
Salem, OR 97301

**Dear President Courtney, Speaker Kotek, and Co-Chairs Devlin and Buckley:**

The Clackamas County Board of Commissioners is united in support for the Willamette Falls Locks Funding Proposal under consideration for funding this legislative session. As elected officials who also face difficult budget decisions every year, we appreciate the challenges you face in evaluating all of the worthy investments that contribute to the advancement of Oregon and understand the limited resources available. We thank you for your consideration of this proposal.

The repair and reopening of the Locks is critical for the economic development and future of this area in Clackamas County, the cities within our borders and the people we represent. Clackamas County is leading efforts to repair and reopen the Locks through facilitation of the Willamette Falls Locks Working Group (WFLWG), a consortium of stakeholders including the County, Metro, West Linn, and other public and private partners. The Willamette Falls Locks Working Group is credited for presenting this funding proposal.

Since the closure of the Locks in 2011, the Willamette River has essentially been divided into two separate rivers, thus eliminating the opportunity for new economic opportunities to emerge from their use. Now, with the Willamette Falls Legacy Project offering the potential for new economic growth and with the recent State Heritage Area designation, the Locks are a vital and critical resource for the redevelopment and future of this region.

The Willamette Falls Locks Funding Proposal would accomplish two tasks. First, it would provide short-term repairs that are needed to reopen the Locks on an interim schedule and would provide for two years of seasonal operational funds. Second, it would provide funding to support an economic benefits study demonstrating local and state economic significance, thus adding to the results of a future study by the U.S. Army Corps of Engineers that will focus on the national significance of the Locks.

The Locks have been a part of Oregon's heritage for 143 years, and funding to build, operate, and maintain their use have come from many partners, including private business, local government, and the state. We appreciate your partnering with us to make sure the Locks remain a vital cultural, historic and economic resource for our community for future generations!

Once again, thank you for your consideration of the Willamette Falls Locks Funding Proposal.

Sincerely,



Tootie Smith, Commissioner  
Clackamas County Board of Commissioners  
WFLWG, Co-Chair



Martha Schrader, Commissioner  
Clackamas County Board of Commissioners  
WFLWG, Member

Cc: Governor Kate Brown  
Clackamas County State Delegation



February 12, 2016

The Honorable Fred Girod, Co-Chair  
The Honorable Tobias Read, Co-Chair  
Capital Construction Subcommittee  
Joint Ways & Means Committee  
900 Court St. NE, H-178  
Salem, OR 97301

Dear Co-Chairs Girod and Read, and Members of the Committee:

The Clackamas County Board of Commissioners is united in support for the Willamette Falls Locks funding proposal under consideration for funding this legislative session. As elected officials who also face difficult budget decisions every year, we appreciate the challenges you face in evaluating all of the worthy investments that contribute to the advancement of Oregon and understand the limited resources available. We thank you for your consideration of this proposal.

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Once again, thank you for your consideration of the Willamette Falls Locks funding proposal.

Sincerely,

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

Tootie Smith, Commissioner  
Clackamas County Board of Commissioners  
WFLWG, Co-Chair