



OWGL 2019: End of Session Legislative Report

When a new commercial activity tax that will raise over \$2B a biennium to schools and PERS reform aren't the headlines you remember from the Legislative Session, you know Oregon Legislators have been busy! Democrats entered the 2019 Legislative Session with supermajorities in both Chambers and ambitious policy agendas. From the new commercial activity tax and tenant protection laws to new funding for the Oregon Health Plan and criminal justice reforms, there was no shortage of headlines.

Nevertheless, the 2019 Session will largely be remembered for what they didn't do – pass a Cap & Trade proposal. Proponents had been working aggressively on the bill concept for the past two years after similar efforts failed in 2018 short session. Senate Republicans staged a walkout twice, once over the commercial activity tax and in the final weeks over the Cap & Trade bill. Their final protest resulted in killing HB 2020 – striking a major win for opponents of the new cap and trade regulatory scheme.

The Session officially adjourned Sine Die on June 30th. The Governor has 30-days to sign or veto the bills presented to her. Over 2,700 bills were introduced during the 2019 Session.

2019 Legislative Profile

Governor:

Kate Brown-Democrat

Legislative Majorities:

Senate: 18 Democrats – 12 Republicans

House: 38 Democrats – 22 Republicans

Leadership:

Senate President Peter Courtney (D-Salem)

Senate Majority Ginny Burdick (D-Portland)

Senate Minority Leader Herman Baertschiger Jr. (R-Grants Pass)

Speaker of the House Tina Kotek (D-Portland)

House Majority Leader Jennifer Williamson (D-Portland)

House Minority Leader Carl Wilson (R-Grants Pass)

Tax Bills

What Passed

HB 2164 A-CAT Fix & Tax Credit Bill

This bill extends several tax expenditures for six years including the agriculture workforce housing construction credit and the crop donation credit. It also extends and increases the Earned Income Tax Credit by one percentage point and extends the property tax exemption for food processing equipment while providing local control over the exemption parameters. The final bill makes minor modifications and clarifications to the Corporate Activities Tax adopted in HB 3427 addressing financial and insurance, car dealer and telecommunication concerns. The bill includes a modification to the exemption for agricultural co-ops, expanding the exemption to all farmer sales to an agricultural cooperative, not just receipts “representing business done with or for members” of an agricultural cooperative. The only modification with a revenue impact adopted was a change to exclude qualifying subcontractor payments from the Corporate Activity Tax. Efforts to exempt all raw food and crops, which would have resulted in a revenue reduction, was delayed until 2020.

FINAL STATUS: Awaiting Governor Signature.

HB 3427–Commercial Activity Tax & Education Spending

HB 3427 imposes a Commercial Activity Tax at the rate of .57% (.0057) on all sales in Oregon over \$1M. The tax will be paid by all entity types with more than \$1M in sales in Oregon. All those below \$1M in sales, would continue to pay a flat tax of \$250. Businesses are able to deduct up to 35% of the GREATER of their labor costs or their cost inputs. Groceries (SNAP definition), fuel/gas, alcohol taxes, tobacco taxes and marijuana taxes are exempt.

HB 3427 also included a 25% reduction in the personal income tax rates for all payers except at the top rate of 9.9%. The new tax will take effect January 1, 2020 unless efforts to refer the Commercial Activity tax portion of the bill are successful.*

HB 3427 also included the education spending proposal which dedicates the new funding to 3 buckets:

- School districts: \$1 billion in grants to individual districts based on student attendance and poverty levels with extra funds going to districts with students below the poverty line. Districts could use the money for more instructional time, student health and safety, or programs to broaden course offerings or to reduce class sizes.
- Statewide initiatives: \$600 million to improve high school graduation rates, career training, school meals and other programs.
- Early learning: \$400 million for early childhood special education, early intervention services, expanded preschool for low-income children and similar programs.

FINAL STATUS: Signed by Governor.

**Note: Proponents have indicated they will not be pursuing a referral of the Commercial Activity Tax. The law will take effect January 2020.*

What Didn't Pass

[SB 784-Crop Loss Tax Subtraction](#)

This bill was introduced at the request of Sen. Hansell and Rep. Barreto. This bill would have created an income tax subtraction available in instances of crop loss due to non-arson related fire. The amount of the subtraction would have been equal to the potential market value of the crop at harvest minus the amount of any insurance settlement or other taxable payment received by the taxpayer as a result of the crop loss. Subtraction would have been available in tax years 2020 through 2025.

FINAL STATUS: DIED IN COMMITTEE.

[SJR 1/SJR 2-Property Tax Amendment](#)

These resolutions were created at the request of the Senate Interim Committee on Finance and Revenue. Both attempted to eliminate or amend the property tax limitations established by Ballot Measure 50 adopted by voters in 1997.

FINAL STATUS: Both DIED IN COMMITTEE.

[HB 3092-Beginning Farmer Tax Credit](#)

This bill was sponsored by Rep. Clem and Rep. Reschke and would have created a refundable income tax credit for renting farmland to beginning farmers for a term of three years.

FINAL STATUS: DIED IN COMMITTEE.

Agriculture & Natural Resource Bills

What Passed

[SB 290-Volunteer Firefighting Civil Immunity](#)

Sponsored by Sen. Hansell, this bill provides civil liability protection for injuries to person or property arising from a person's voluntary efforts to fight wildfire on private cropland, pasture, rangeland or other private agricultural land or threatening a structure on agricultural land. OWGL President Alan VonBorstel and Clint Carlson joined Sen. Hansell in providing testimony in support of this bill.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

[SB 885 A-ODA Canola Bill](#)

After extensive stakeholder discussions, SB 885 continues the Oregon Department of Agriculture's (ODA) authority to allow up to 500 acres of canola production in the Willamette Valley Protected District.

SB 885 does the following:

- Specifies boundaries of the Willamette Valley Protected District (District). Requires person growing canola in the District to receive prior approval by license from ODA.
- Permits ODA to authorize a person to grow canola in the District only in a manner determined to be compatible with the growing of other crops.
- Authorizes canola production in district not to exceed 500 acres per year.

- Requires ODA to develop recommendations for ensuring co-existence of canola and other crops, including means for providing protections adequate to maintain the unique attributes of the state's specialty seed industry.
- Authorizes ODA to assess civil penalty, not to exceed \$25,000, for violation.
- Applies retroactively to July 1, 2019.

FINAL STATUS: Awaiting Governor Signature.

HB 2007-Clean Diesel

HB 2007 creates a new regulatory program to replace or retrofit old diesel engines within the Portland-Metro region (Multnomah, Clackamas and Washington County). The bill establishes cut-off dates which prevent titling or registration of vehicles. HB 2007 aims to incentivize fleet upgrades through distribution of \$50 million in Volkswagen Settlement funds. The bill preserves existing state preemption of local idling laws.

Specifically, the bill:

- By 2029, heavy-duty trucks registered within the Portland-Metro region must have 2007 or newer model year engines. Heavy duty trucks are defined as vehicles with a gross vehicle weight rating greater than 26,000 pounds.
- By 2029, medium-duty trucks registered within the Portland-Metro region must have 2010 or newer model year engines. Medium-duty trucks are defined as vehicles with a gross vehicle weight rating between 14,000 and 26,000 pounds.
- By 2023, Heavy and medium-duty trucks powered by model year 1996 or older diesel engines cannot register in the Portland Tri-county region.
- By 2025, heavy-duty trucks with 2006 or older diesel engines may not be titled in the Portland Tri-county region. This also applies to medium-duty trucks with 2009 or older engines.

The following categories of vehicles are exempt from HB 2007:

- Log trucks
- Farm tractors, farm vehicles (F-Plates as registered under [ORS 805.300](#)), and implements of husbandry
- Motor vehicles used exclusively as training vehicles
- Emergency vehicles and ambulances
- Campers, motor homes, and recreational vehicles
- Heavy-duty trucks operated for 5,000 miles or fewer on highways of this state during one calendar year
- Antique vehicles
- Fleets with five or fewer heavy-duty trucks
- In 2022, 'nonroad' diesel vehicles used for construction in the Portland Tri-county region must be powered by model year 2010 or newer diesel engines in order to qualify for public contracts of \$20 million or more.
- HB 2007 establishes an 11-member task force comprised of industry stakeholders and environmental advocates. The task force is directed to explore additional funding and incentive options and provide recommendations to the legislature.

FINAL STATUS: Awaiting Governor Signature.

HB 2015-Driver's License ID Cards

SB 833, passed in 2013, authorized ODOT to issue driver licenses, permit and identification cards without proof of lawful presence in the United States. The law was referred to the voters in 2014 via Measure 88 which suspended the law allowing driving privileges for those who can't provide legal proof of presence in the United States. There are currently 12 states and the District of Columbia that issue driver's licenses to those who are unable to provide proof of lawful presence in the United States. HB 2015 allows the Department of Transportation to issue, renew or replace a noncommercial driver license, noncommercial driver permit or identification card to an applicant without proof of legal presence. ODOT and the Secretary of State will open rulemaking to ensure compliance with national voter registration standards.

FINAL STATUS: Awaiting Governor Signature. Effective date: January 1, 2021.

HB 2084-Water Planning Sunset Extension

In 2015, the legislature passed SB 266, which provided statutory authority and funding for the Oregon Water Resources Department to issue grants and provide technical assistance to facilitate place-based, community-focused, integrated water resources planning efforts through July 1, 2019. This bill extends the sunset for the place-based integrated water resources strategies program until 2023.

FINAL STATUS: Awaiting Governor Signature.

HB 2236-Tractors on State Highways

Allows farm tractors to operate on state highways that have a speed limit or posted speed of more than 35 miles per hour.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

HB 2250-Obama Era Clean Air/Water Regulation Bill

HB 2250 requires Oregon's natural resource agencies that partner with the EPA on enforcement of clean air and water standards to maintain standards that meet or exceed environmental protections in effect on January 19, 2017. Specifically, the bill requires the Oregon Department of Environmental Quality (DEQ) and the Oregon Health Authority (OHA) to regularly assess final changes to federal environmental law to determine whether the changes are significantly less protective of public health, the environment, or natural resources than baseline federal standards. HB 2250 directs DEQ to promptly inform the Environmental Quality Commission (EQC) and recommend actions to maintain baseline federal standards if federal environmental laws reduce standards and requirements below baseline federal standards. Directs OHA to take actions necessary to continue state implementation of standards and requirements that are at least as protective of public health, the environment, or natural resources as baseline federal standards. Specifies that EQC and OHA are not prevented from adopting rules that are more protective than baseline federal standards.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

HB 2437 B-Relating to Removal-fill Laws

HB 2437 would authorize farmers to clean drainage ditches with a simple notification to the Oregon Department of Agriculture. This bill will help resolve a decades-long dispute with the Department of State Lands over what authorization is required to maintain drainage ditches and provide farmers with a simplified path to maintaining ditches when they are dry. The final bill also includes nearly \$700,000 in funding to create this program within the Department of

Agriculture, fund review of notices by the Oregon Department of Fish and Wildlife, and authorize OSU to study ditch cleaning. Oregon Farm Bureau championed this bill through the Session.

FINAL STATUS: Awaiting Governor Signature.

HB 2444 A-FFA Funding Bill

The Oregon Future Farmers of America will receive funding from the state this biennium for the first time in eight years. HB 2444 directs \$1.43M to the Oregon Department of Education for FFA to provide financing for enrollment, leadership development and the coordination of 24 state-level competitions.

FINAL STATUS: Awaiting Governor Signature. Effective date: July 1, 2019.

HB 2451-Eliminating Mandatory Inspection of Onions

Eliminates mandatory state onion inspections. Retains provisions requiring Oregon Department of Agriculture to establish onion grades and standards that conform to those prescribed by the United States Department of Agriculture.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

HB 2844-Processing Farm Products

Authorizes counties to allow farm product processing facilities with processing areas smaller than 2,500 square feet to be a permitted use on lands zoned for exclusive farm use (EFU) notwithstanding siting standards.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

What Didn't Pass

SB 341-Recreational Immunity

This bill would have provided immunity for landowners arising out of the use of their land for hunting, even if landowner charged for permission.

FINAL STATUS: DIED IN COMMITTEE.

SB 434-Liability for Contamination by Genetically Engineered Organisms

This bill would have established a cause of action against the patent holder or licensed manufacturer for genetically engineered organism present on land without permission of owner or lawful occupant.

FINAL STATUS: DIED IN COMMITTEE.

HB 2086 A-Agricultural Heritage Program

HB 2086 would have revised the Oregon Agricultural Heritage Program statutes related to purpose, administration, and eligibility criteria of the program.

FINAL STATUS: DIED ON SENATE FLOOR.

HB 2450-Rural Area Firefighting Training Standards

Sponsored by Rep. Findley, this bill would have directed the Department of Consumer and Business Services to develop training standards applicable to firefighting personnel in certain rural areas.

Final STATUS: DIED IN COMMITTEE.

HB 2772 A-Household Hazardous Waste Takeback Bill

HB 2772 would have prohibited a manufacturer or retailer from selling specified household hazardous products in Oregon unless the product was labeled with a brand and was included in a plan for a household hazardous waste stewardship program approved by the Department of Environmental Quality (DEQ). It would have required manufacturers and retailers to provide consumers with program information at the time of sale and on the website of the stewardship organization in which the manufacturer is participating.

FINAL STATUS: DIED IN COMMITTEE.

HB 2882-GE Liability

This bill sought to hold seed patent holders of GE/GMO crops financially liable if their seed was found on neighboring land. An amendment was considered that would have directed the Department of Agriculture to adopt rules establishing recommended practices that a grower of GE crops may take to “reduce the risk that genetic material from the genetically engineered crop will unintentionally be transferred to other agricultural crops.” The proposed amendment also would have allowed a court to consider a grower’s compliance with these rules in determining whether the activities of the grower “unreasonably created a foreseeable risk” that their GE crop would “contaminate” other agricultural crops.

FINAL STATUS: DIED IN COMMITTEE.

HB 3085 A-Family Farmer Loan Program

The bill’s aim was to create a loan program for family farmers, including beginning family farmers, to supplement or serve as an alternative to the Beginning and Expanding Farmer Loan Program. The bill would have allowed the loan proceeds to be used to purchase or refinance agricultural land, farming equipment, or livestock and to make permanent agricultural improvements to agricultural land; or to restructure operating debt carryover. The bill would have established a maximum loan amount of \$500,000 for the applicant's lifetime.

FINAL STATUS: DIED IN COMMITTEE.

HB 3090 A-Beginning Farmer Program

This bill would have established a beginning farmer and rancher incentive program for the purpose of assisting beginning farmers and ranchers in Oregon. It directs the Oregon Department of Agriculture to determine participant eligibility criteria, Incentive Program terms and conditions, and fund distribution prioritization, penalties, and the types of incentives that may be provided, including but not limited to: loan repayment subsidies, stipends, and scholarships for farming and ranching programs at in-state higher education institutions.

FINAL STATUS: DIED IN COMMITTEE.

HB 3091-Beginning Farmer Assistance

This bill sought to limit the application fee payable by a beginning farmer for loan under Beginning and Expanding Farmer Loan Program to \$100.

FINAL STATUS: DIED IN COMMITTEE.

HB 3326 A/HB 3340/HB 2944-Harmful Algal Blooms Bills

HB 3326 and 3340 declared harmful algal blooms to be a threat to safe drinking water and public health. The bills directed OHA and DEQ to address harmful algal blooms by coordinating

to identify water sources that are susceptible to harmful algal blooms and to develop a system for regular monitoring and testing of susceptible water sources.

FINAL STATUS: All DIED IN COMMITTEE.

Pesticide Bills

What Passed

HB 2058-Pesticide Administration Fee Removal

Eliminates the \$5 reexamination fee for a person who fails to receive a passing grade or, for other reasons, is not issued a pesticide applicators license, to reimburse Oregon Department of Agriculture for costs to administer reexamination. Applies to reexaminations given on or after effective date of Act.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

What Didn't Pass

SB 931- Notice of Pesticide Application to Forestland

This bill would have established requirements for sending notification to the State Forestry Department by the operator, timber owner or landowner proposing forest operation involving aerial application of pesticide to nonfederal forestland.

FINAL STATUS: DIED IN COMMITTEE.

HB 2493- Aerial Application of Pesticide Ban

This bill would have prohibited the aerial application of pesticides to land within the watershed of McKenzie River or its tributaries or of Santiam River or its tributaries.

FINAL STATUS: DIED IN COMMITTEE.

HB 2619 A-Ban on Chlorpyrifos

HB 2619 would have prohibited the sale, purchase, or use in the state of any pesticide product containing chlorpyrifos.

FINAL STATUS: DIED IN COMMITTEE.

HB 2656-Forest Practices Restriction Bill

The bill would have prohibited the application of a pesticide or a fertilizer on forestland that supplies drinking water to a public water system.

FINAL STATUS: DIED IN COMMITTEE.

HB 2980-PURS Sunset Extension Bill

This bill would have extended the Pesticide Use Reporting System (PURS) sunset date from June 30, 2019, to June 30, 2029.

FINAL STATUS: DIED IN COMMITTEE.

HB 3042/HB 3044-Aerial Application of Pesticide Ban & Notice

These bills were a pair sponsored by Rep. Wilde. HB 3042 would have authorized a city, town, county or political subdivision to prohibit or regulate the application of chemicals by aircraft. HB 3044 bill would have required a business or individual to submit information concerning the

aerial application of pesticides to the Department of Environmental Quality. It would have required the department to post information on a website and to send notices to affected properties if the Department determined that soil treatment or pesticide applied by aircraft drifted beyond property where area targeted for application is located.

FINAL STATUS: Both DIED IN COMMITTEE.

HB 3058 A/SB 853—Chlorpyrifos and Neonicotinoid Ban

These bills would have prohibited the sale, purchase, or use of any pesticide product containing chlorpyrifos. It also would have required the Department of Agriculture to immediately revoke any registration for pesticide containing chlorpyrifos and requires ODA to list pesticide products containing a neonicotinoid as restricted-use pesticides.

FINAL STATUS: DIED IN COMMITTEE.

HB 3221/SB 926-Aerial Application of Pesticide to State Land

These identical bills would have prohibited the aerial application of pesticides on timber lands owned by state.

FINAL STATUS: Both DIED IN COMMITTEE.

Climate Bills

What Didn't Pass

HB 2020 B-Cap and Trade

Oregon agriculture and manufactures saw a major victory in the final weeks of the 2019 Legislative Session with the defeat of HB 2020, the proposed Cap & Trade proposal. After passing out of the House with all Republicans and two Democrats voting 'NO', the bill stalled in the Oregon Senate. HB 2020 would have required companies in the utility, transportation and industrial sectors to buy emission allowances in a state-run auction or on a secondary market to cover each metric ton of carbon equivalents their operations emit. Senate Republicans instigated a walk out in the final weeks, denying quorum and essentially locking up the bill. Senate President Peter Courtney also announced there were not the Democrat votes needed to advance the bill and upon return of the Senate Republicans the first order of business was to move HB 2020 back to Committee, killing it for 2019.

However, it will be back. Upon adjournment, Governor Brown announced she plans to use her Executive Authority to direct state agencies to implement some of the provisions contained in the bill and pursue legislation in the February 2020 Session. She also indicated a willingness to reopen discussions with rural manufacturers, quoted as saying "I am directing the Carbon Policy Office to work with rural manufacturers to analyze the cost and competitiveness of their industries. We need to know how we can sustain these important jobs this sector provides while meeting our carbon reduction goals." Conversations are expected to continue on this policy proposal throughout the 2019 interim leading up to the February 2020 Session.

FINAL STATUS: DIED IN COMMITTEE.

Labor and Employment Bills

What Passed

SB 123 B-Pay Equity

In 2017 Oregon passed one of the most progressive Pay Equity Laws in the Country. Not surprisingly, after 6+ months in rulemaking implementing HB 2005 (2017), several technical changes were identified that needed to be made to the underlying statute. SB 123 reflects a heavily negotiated product between employer and worker representatives. The final bill:

- Includes a new simplified definition for “system.” This undefined statutory definition took on a broad and ambiguous definition in rules. The proposed definition in statute will provide a simple definition that is easy for everyone to understand.
 - Current Definition: "System" means a devised coherent, consistent, and verifiable and reasonable method that was in use at the time of the alleged violation to identify, measure and apply appropriate variables in an orderly, logical and effective manner.
 - New Definition: “System” means a consistent and verifiable method in use at the time that a violation is alleged under ORS 652.220.
- Clarifies bona fide factors may be contained as part of a collective bargaining agreement.
- Adds an allowance for pay differentials for light duty work plans
- Allows employees to stay on the job, in a modified duty capacity, and maintain their salary, while not forcing the employer to violate the Pay Equity Law.
- Includes liability protection when salaries raised as part of Equal Pay Analysis
- Makes necessary changes to the Equal Pay Analysis so employers aren’t forced to ask about private and sensitive status’ as it relates to the protected classes.
- Clarifies that an employer, if found at fault during a civil action, is required to cure the Plaintiff going forward, not as part of the Equal Pay Analysis.

FINAL STATUS: Awaiting Governor Signature.

SB 164 A–Enforcement of OregonSaves

This bill authorizes BOLI to enforce rules governing employer’s compliance with OregonSaves. The Oregon Retirement Savings Board can request BOLI investigate if, after making three attempts using different forms of communication, the Board has reasonable grounds to believe the employer remains in violation. BOLI can accept complaints from employees up to two years following the date by which an employer is required to register with OregonSaves. The Oregon State Treasury worked with the business lobby to amend the bill to include a two-year grace period for enforcement for all small businesses required to register in the coming years. The final bill also establishes an annual penalty cap of \$100 per worker with a maximum of \$5,000 per year. The bill does not include a private right of action.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

SB 370–Employee Notice of I-9 Inspections

After weeks of negotiations, this bill was narrowed to require an employer to provide employees notice of an I-9 forms inspection within 3-business days of receiving the notice of

inspection. The bill requires BOLI to create a notice template for employers to use. The final bill does not include an enforcement mechanism.

FINAL STATUS: Signed by Governor. Effective date: June 6, 2019.

SB 726-Workplace Harassment Bill: Public and Private Employers

Advanced by strong labor advocates, the final bill reflects a heavily negotiated product. SB 726 makes it an unlawful employment practice for an employer to require an employee to enter into a nondisclosure agreement (NDA) as a condition of employment, continued employment, promotion, compensation, or receipt of benefits if the agreement prevents the employee from disclosing or discussing employment discrimination or sexual assault. The bill requires a 7-day revocation period for any NDA agreement and does allow an aggrieved employee to request an NDA. The bill also:

- Requires a written workplace policy on discrimination and harassment that includes:
 - A process for an employee to report;
 - An identified individual, and an alternative, responsible for receiving reports;
 - Certain statutory required disclosures, notices and distribution.

BOLI will create a model policy for employers to rely on. The bill also allows an employer to void severance or separation payments if, after conducting a good faith investigation, determines that the person violated NDA prohibitions or employer policy against discrimination or harassment.

Most significantly, the bill extends the current statute of limitations (for the most part currently 1-year) for discrimination claims based on protected classes to 5-years for all acts occurring on or after October 1, 2020.

FINAL STATUS: Signed by Governor. Effective date: September 29, 2019.

HB 2005–Paid Family & Medical Leave

After extensive negotiations with key Democrats, Republicans, worker advocates and the broader business community, a compromise was reached on a statewide Paid Family Leave bill. HB 2005 provides all employees with 12 weeks of paid leave for leave related to the birth, adoption or fostering of a child, leave for serious health conditions of the employee or a family member, and leave needed for a victim of domestic violence. An additional two weeks of paid leave is available for an individual with medical complications due to pregnancy. If an employee is currently eligible for leave under the Oregon Family Leave Act (OFLA) that applies to employers with 25 or more employees, or the Family & Medical Leave Act (FMLA) that applies to employers with 50 or more employees, then the employee can access up to an additional 4-weeks of unpaid leave.

The cost of this insurance-pool program will be shared 60 percent by employees and 40 percent by employers, with a maximum payroll tax of 1%. Employers with fewer than 25 employees would not be required to contribute to the cost of the premium but could do so if they chose. Their employees would contribute and qualify for leave under the program.

Key provisions of the final bill:

- Rulemaking required prior to September 1, 2021
- Employers begin collecting premiums January 1, 2022

- Employees may access paid leave beginning January 1, 2023
- Private Right of Action delayed until January 1, 2025
- Hard cap of 12 weeks paid leave + 4 weeks unpaid (if OFLA eligible) with 2 additional weeks for complications relating to pregnancy
- Must be employed for 90-days before job protections kick in
- 1% Premium split 60% worker and 40% employer
- Private options for existing marketplace products
- Statewide preemption on all paid family and medical leave related issues

Small business provisions:

- Small businesses with less than 25-employees do not pay the employer portion (.04%) of the premium
- This assessment will be made at the first of the year and will be based on a look back of previous year – does not change regardless if employee count changes
- Business assistance and grants for small businesses up to \$3,000 for worker-replacement costs that small businesses can access up to 10 times in one year
- 4 Employer representatives on advisory council, including one that specifically represents a small employer
- Modified Job Protection language for small businesses that allows for employer discretion if job no longer available by inserting “as determined by employer’s business needs”

FINAL STATUS: Awaiting Governor Signature.

HB 2087-Workers Compensation Civil Penalties Cap

The measure sets the maximum penalty against an employer or insurer at \$2,000 for each violation of a worker’s compensation statute or required practices and \$40,000 in the aggregate for a calendar year for inducing a worker to not file a claim. The maximum penalty against a self-insured employer, insurer, or service company is set at \$4,000 for each violation or \$180,000 in the aggregate for a calendar year for failure to pay assessments or failure to comply with statutes and rules.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

HB 2341-Pregnancy Accommodation

HB 2341 makes it an unlawful employment practice for employer to deny reasonable accommodations to known limitations related to pregnancy unless accommodation imposes undue hardship. Reasonable accommodations may include but are not limited to: acquisition or modification of equipment or devices; more frequent or longer break periods or periodic rest; assistance with manual labor; or modification of work schedules of job assignments. Employers may be exempt if they can establish an “undue hardship.” The bill also requires an employer to post signs and provide employees with written notice of obligations, protections and rights regarding workplace discrimination. The bill provides the employee with a private right of

action or an ability to file complaint with Bureau of Labor and Industries. The final negotiated bill only applies to employers with 6 or more employees. BOLI will develop training and education materials for employers and employees.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

HB 2593–Expression of Milk in Workplace

Current Oregon law requires employers with 25 or more employees to allow an employee a 30-minute rest period to express milk during each four-hour period to be taken approximately in the middle of the work period. The employee is required, if feasible, to time the rest periods to express milk to coincide with rest periods and meal periods otherwise provided. The Fair Labor Standards Act does not place limits on the frequency and duration of rest periods to express milk. The federal provisions are limited to the first year after the child's birth; Oregon law extends the provisions to 18 months. There is no requirement that the rest periods to express milk be paid when they extend beyond the time the employer is required to provide paid rest periods. HB 2593 requires all employers to provide reasonable rest periods for employees to express milk as often and as long as needed for the child's first 18 months. The measure includes an ability for an employer to claim an “undue hardship” if they have 10 or fewer employees and compliance would pose a “significant difficulty or expense when considered in relation to the size, financial resources, nature or structure of the employer’s business.”

FINAL STATUS: Signed by Governor. Effective date: 91 days after adjournment (September 29, 2019).

HB 3120-Safe Leave

This bill allows an individual to receive unemployment insurance benefits if an individual or member of individual's immediate family was or could be a victim of crime of intimidation. It covers a worker when they leave work or fails to apply for work in order to protect themselves or an immediate family member from the crime of intimidation that an individual reasonably believes will occur as a result of continued employment or acceptance of work.

FINAL STATUS: Signed by Governor. Effective date: May 24, 2019.

What Didn't Pass

HB 2175-Overtime “Fix” Bill

This bill was drafted at the request of the House Interim Committee on Economic Development and Trade and sought to amend hourly caps placed on manufactures in 2017 by removing the restriction on the maximum number of hours that certain employers may require or permit employees to work in a single work week.

FINAL STATUS: DIED IN COMMITTEE.

HB 2412-Community Outreach and Labor Education Account

This bill would have required the Commissioner of the Bureau of Labor and Industries to charge a fee on moneys collected via a wage claim. Moneys would have been deposited in to a new Community Outreach and Labor Education Account for the purpose of awarding grants to nonprofit organizations that provide assistance to workers regarding their rights.

FINAL STATUS: DIED IN COMMITTEE.

HB 2498-Independent Contractor Test

HB 2498 would have modified the test used to distinguish between employees and independent contractors. Business, employer and agricultural interest showed up in strong opposition to this bill, with over 1.5 hours of testimony received during the public hearing on

the bill. The bill would have excluded anyone providing services that are inside the “usual course of business” from qualifying as an independent contractor.

FINAL STAUS: DIED IN COMMITTEE.

HB 2655/SB 379 A-Marijuana in the Workplace

These bills sought to prohibit employers from restricting or banning the use of marijuana by their employees or prospective employees during nonworking hours.

FINAL STATUS: Both DIED IN COMMITTEE.

HB 2818-Age Discrimination Bill

This bill would have prohibited employers from seeking the age of applicant prior to making a conditional offer of employment and from including certain words or phrases in recruitment that suggests or implies age preference. It also allows a private right of action and damages up to \$25,000.

FINAL STATUS: DIED IN COMMITTEE.

HB 3022 A-OTLA Workers Compensation Bill

Sponsored by the Oregon Trial Lawyers Association, HB 3022 A would have rewritten much of the workers’ compensation statues. After negotiations with employers and members of medical community, a negotiated agreement was adopted that modified the workers’ compensation statues to describe circumstances under which diagnostic services are compensable, following a determination that an accident or disease is compensable. The final language reflected a negotiated agreement amongst worker and employer representatives, but a decision issued from the Supreme Court prior to adoption impacted part of HB 3022 (the negotiated portion on diagnostic services). The Court found in favor of the worker and against the insurance company/employer. The court decision is more favorable than the negotiated language in HB 3022 and accordingly the bill was withdrawn to allow conversations to continue during the interim.

FINAL STATUS: DIED IN COMMITTEE.

Campaign Finance Bills

What Passed

SJR 18–Campaign Finance Reform Constitutional Referral

The constitutional amendment put forward by the legislature will ask voters to amend Article II of the Oregon Constitution to allow the legislature, local governments and citizen initiatives to implement limits on campaign contributions and allow disclosure requirements about donations and political advertising. The Senate worked with the business community to narrow the scope of the proposed constitutional amendment by removing the term “regulate” which would have had the potential of allowing discriminatory treatment of content and viewpoint perspectives.

FINAL STATUS: Filed with Secretary of State for consideration on the November 2020 ballot.

HB 2716–Political Ad Disclosure

HB 2716 requires “paid for by” disclosures on political advertisements for candidates and ballot measures. The disclosure must include the names of top 5 largest aggregate contributors of \$10,000 or more to the committee in the election cycle in which the communication is made.

FINAL STATUS: Awaiting Governor Signature.

HB 2983– “Dark Money” Reform

HB 2983 addresses “dark money” and will require committees of two or more that are not a political committee or petition committee or a not-for-profit corporation organized as a 501(c)(3) nonprofits [covering (c)(4)’s and (c)(6)’s] who expend more than \$100,000 in a measure campaign, \$25,000 in a city measure campaign, or \$100,000 in a political committee or statewide race to disclose their donors who contributed over \$10,000 in the aggregate during the election cycle.

FINAL STATUS: Awaiting Governor Signature.

What Didn’t Pass

HB 2714–Campaign Limits

HB 2714 would have created a new structure of political committees and contribution limits for how much candidates and ballot measures could receive from each type of committee. The bill would have required political committees to identify as caucus, measure, multicandidate, political party, recall, or small donor political committee. The bill strongly favored the institutional structure of unions and membership organizations with individual members over corporate or business organization political action committees.

FINAL STATUS: DIED IN COMMITTEE.

Miscellaneous Bills

What Passed

SB 257/HB 5050 -OSU Statewides Funding

SB 257 sought to appropriate \$30 million from the general fund to the Higher Education Coordinating Commission for Oregon State University (OSU) agricultural experience stations, extension services, and forest research laboratory. In HB 5050, the Legislature funded \$19.2M for the OSU Statewides, including \$14.6M in “recovery” funding to cover past shortfalls and \$5.2M in programs for new initiatives, including \$2M for fire resilience and recovery, \$2.7M for water quality and quantity programs, \$375,000 for organic agriculture and \$125,000 for a continuing berry position.

FINAL STATUS: HB 5050 Awaiting Governor Signature.

SB 320-Daylight Savings

SB 320 ceases the one-hour time change and places Oregon permanently on daylight saving time. The measure exempts the portion of the state in the Mountain Time Zone and becomes operative after California and Washington also adopt permanent daylight-saving time. WA passed their bill this year and a similar measure is under consideration in California.

FINAL STATUS: Signed by Governor. Effective date: January 1, 2020.

SB 1049-PERS Reform Bill

A major component of the broader negotiations on passing a new tax this Session, SB 1049 provides needed PERS reform to begin to address the growing unfunded liability. SB 1049 increases the time period over which its debt is paid down and shifts a portion of employees' contributions to their individual retirement accounts toward a pension stability account. The amount comes to 2.5% of wages for workers hired before 2003 and 0.75% for those hired later and applies to those making more than \$30,000 a year. The amended bill directs sports betting revenue from the state lottery toward the state's employer incentive fund and allocates \$100 million toward the fund.

FINAL STATUS: Signed by Governor. Effective date: June 11, 2019.