



## PERS Reform

[SB 1049](#), the PERS reform bill is advancing through the legislature. The bill, introduced by House Speaker Tina Kotek and Senate President Peter Courtney, makes several changes to PERS to control costs and lessen the impact on budgets. It creates employee contributions to PERS pensions by redirecting a portion of the Individual Account Program contributions back to the pension system; re-amortizes the tier one and tier two unfunded liability over a longer period of time; removes limitations on PERS' retirees work after retirement; caps the final average salary at \$195,000 for calculating pension payments; and uses sports betting revenue to fund a portion of pension side accounts. PERS Solutions, a group formed to advocate for PERS reform, estimates that these changes will result in \$600 million in savings each year starting in 2021-2022, with most of the savings coming from the re-amortization. Under this proposal, schools may save enough to hire 1,850 teachers or add 7.5 school days statewide. PERS Solutions filed proposed initiative measures earlier this year.



The Senate passed the bill on May 23 and the House is expected to take up the bill this week.

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## Campaign Finance

A trio of campaign finance bills are being discussed. HB 2714, HB 2716 and HB 2983 were all introduced early in the session, but there has been little action since March. Rep. Dan Rayfield (D-Corvallis) is a chief sponsor on all three bills. Last week, Rep. Rayfield presented amendments to all three bills. These bills and amendments would make sweeping changes to Oregon's campaign laws. [HB 2714-5](#) would establish campaign contribution limits, but there would be no limits on contributions from small donor, political party and caucus political action committees. [HB 2716-5](#) would make new requirements for independent expenditure disclosures in political advertising. And [HB 2983-6](#) would require disclosure of donors to organizations that communicate in favor or in opposition to candidates or measures.

The House Rules Committee held a hearing on Thursday, May 23 and will hold another hearing today.

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## Paid Family Leave

Legislative leaders are circulating amendments to HB 2005, the Paid Family Leave bill. The bill is in the House Rules committee and is expected to be scheduled for a hearing this week. The amendments reflect provisions negotiated by OBI and partners to ensure employer concerns are addressed. OBI is tracking the bill development closely.

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## Oregon Legislature

### What Happened Last Week

- [HB 2408](#) officially died in the Senate Workforce Committee on Thursday, May 23. This bill would have required compliance with prevailing wage regulations for any project constructed in an enterprise zone that cost more than \$20 million. Because of the complexity and added cost, businesses would likely decline to participate in the enterprise zone program. Effectively, this bill would kill the enterprise zone program. OBI and a broad coalition of business and local government advocated against the bill with legislators. Thanks to those efforts, the Senate simply did not have enough support to pass the bill.
- [SB 684](#), which relates to business obligations when there is a data breach including notifying customers and the attorney general, was signed by Gov. Kate Brown.
- [HB 2395](#), which requires security for devices connected to the internet, passed the Senate. It now heads to Gov. Brown's desk.
- On Friday, the Joint Committee on Tax Expenditures met for the second time this legislative session. The meeting consisted of an overview of the earned income, cultural trust and agricultural worker housing construction tax credits. It also included a brief [presentation](#) from the Legislative Revenue Office on an omnibus bill that will include both an extension of some tax expenditures and technical corrections to [HB 3427](#), the \$2 billion Student Success Act.
- [HB 2014](#) passed out of the Senate Judiciary Committee along party lines on Tuesday, May 21, and now heads to the Senate floor. It passed the House in April. The bill removes the \$500,000 limit on noneconomic damages in the event of wrongful death. OBI is part of a broad coalition opposed to the bill.
- [HB 2658](#) passed out of the Senate Health Care Committee on Wednesday, May 22. The bill requires the disclosure of drug price increases 60 days in advance of the increase, if a brand-name drug is increasing by more than 10 percent, or by \$10,000, from the previous 12 months and if a generic drug price is increasing by 25 percent or by \$300 from the previous year.
- [HB 2185](#) passed out of the Senate Health Care Committee unanimously on Wednesday, May 22, and heads to the Senate floor and potentially to a conference committee. The bill places regulations on pharmacy benefit managers, prohibiting them from requiring network pharmacies to offer mail delivery of prescriptions and establishing other transparency requirements.



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### Coming Up Next Week

- [HB 2883](#), which bans Styrofoam (polystyrene) in containers for prepared food, was

voted out of the Senate Environment and Natural Resources Committee on a 3-1 vote and is heading to the Senate for a vote.

- The House is expected to vote this week on [SB 213 A](#), which maintains Oregon's rolling (automatic) connection to federal taxable income and updates the date on which other provisions of Oregon's tax code are connected to the federal tax code to December 31, 2018 (from December 31, 2017). The bill has already passed the Senate, so following House passage it will go to Gov. Kate Brown for her signature.

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## Do you have questions about pending legislation? Feel free to contact our team.

Tax and fiscal policies: [Mike Stober](#)

Education and health care policies: [Nathaniel Brown](#)

Employment and retail policies: [Paloma Sparks](#)

Environment and energy policies: [Sharla Moffett](#)



## Oregon Legislature In the News

[Lawmakers Discuss Bill to Drop Oregon's Drinking Limit to .05](#)

[Bill Aimed at Reducing Public Pension Costs Passes Oregon Senate on Bipartisan Vote](#)

[Trying to Finish, Oregon House to Begin Saturday Sessions](#)

[Oregon Lawmakers Propose Campaign Donation Limits, but with 'Huge Loophole'](#)

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## Non-road Diesel Engine Survey

Please consider filling out this survey from the Oregon Department of Environmental Quality on non-road diesel engine use. In 2017, OBI and other business organizations negotiated a compromise to the diesel phase-out bill, in part asking that the state complete a survey of existing diesel uses. This survey represents the effort to collect more data on non-road diesel engines. OBI is promoting the [survey](#) in our various weekly and monthly newsletters to assist the DEQ in collecting Oregon-specific information on diesel generators and compressors. Without state-specific information, DEQ would utilize EPA's default data that likely overestimate emissions and provide an unrealistic picture of air pollution levels in the state. This is a blind, confidential survey and will not be used to create an equipment registry. Both businesses who utilize diesel compressors and generators and those who don't should take the survey to ensure the data collected is accurate.

[Click Here for Survey](#)

**OBI HealthChoice**  
Big Business Options on a Small Business Budget

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**Wholesale Fuel Pricing**

OBI has partnered with MCP Petroleum to drive down OBI members' fuel cost. OBI is leveraging the collective purchasing power of our membership to get wholesale fuel pricing for our members. In addition to fuel savings, OBI members will have access to a comprehensive fuel management system that will reduce slippage, save valuable employee time and provide accountability and oversight of your company's fuel consumption.



PETROLEUM

OBI members who use 900 gallons of fuel annually through their company are eligible for this program. Please contact [Jeff DeSantis](#) for more information.



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## LegalPlus Program

Did you know, by being an OBI member you can get free legal advice? OBI and Innova Legal Advisors provides members 15 minutes of legal consultation each month through the LegalPlus program. Check it out by [clicking here](#). Or contact Bob Blackmore at Innova Legal Advisors: Phone: 503-479-7175; email: [Bob.Blackmore@innovalegaladvisors.com](mailto:Bob.Blackmore@innovalegaladvisors.com)



## Calendar of Events

### Unemployment Insurance Conference

June 27 is your chance to get the scoop on unemployment insurance strategies to improve your bottom line. The National Unemployment Insurance Policy Conference is coming to Portland and offers a unique opportunity for businesses and companies to learn about unemployment tax, benefits and policy to 2020 and beyond.

OBI has a special single-day pass rate for members for June 27. [Click here](#) to learn more.

- What: National Unemployment Insurance Policy Conference
- When: June 26-28
- Where: Portland Marriott Downtown Waterfront Hotel
- Event information: [www.uwcstrategy.org/conferences/](http://www.uwcstrategy.org/conferences/)

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