



With the Oregon Legislature at the Capitol for the 35-day even-year session, we will keep you up to date with weekly editions of Capitol Central. Here's our report from this week.

In the Legislature

Cap-and-Trade, Denial of Quorum, Wait-and-See

Oregon Business & Industry, along with most of the state, is in wait-and-see mode after Republicans walked out of both chambers this week, effectively shutting down the 2020 legislative session in protest of efforts by Democrats to move a cap-and-trade bill.

With just nine days left in the constitutionally mandated 35-day session, it is unclear whether Republicans will return – and what will happen to the dozens of bills still in process, including several budget bills. Only three bills have passed both houses so far in this session, which must end by midnight March 8.



On Thursday, the House Rules Committee issued subpoenas demanding that the missing House Republicans return by March 5 to testify to their reasons for failing to show up at the Capitol. That move appeared to escalate tensions rather than push lawmakers to a potential compromise.



Senate Republicans left the Capitol after Ways and Means passed [SB 1530](#) on to the full Senate on Monday. House Republicans left Tuesday. Most are reportedly out of the state. Sen. Tim Knopp, R-Bend, and Rep. Cheri Helt, R-Bend, have continued to attend legislative proceedings.

Republicans have argued that voters should be asked to decide the fate of cap-and-trade legislation, but efforts to amend the bill to include a voter referral were shut down by the Democratic majority. Then, in a counter-move Wednesday, Democrats [introduced three new legislative concepts](#) in the House Rules Committee, all of which appear to be referrals of pending carbon-regulation initiative petitions that include none of the compromise language in the pending cap-and-trade bills. But, with the absent Republicans denying a quorum, these

new bills cannot be moved forward.

Meantime, a union-backed group proposing an initiative to block future legislative boycotts launched an online campaign targeting Republicans participating in the walkout. Historically, both Democratic and Republican legislative caucuses have used the walkout tactic when they were in the minority.

Tuesday was the deadline for bills to pass out of committee. Only bills on the Senate or House floor, or in the Rules, Revenue or Ways and Means committees are still considered active in this session. Below are the bills OBI continues to track, listed based on where they stand.

In the House

Tax and fiscal policy bills waiting for action include:

- [HB 4009](#), the bill that makes technical fixes to the Corporate Activity Tax. OBI has participated in the development of this bill.
- [HB 4010](#), the opportunity zone disconnect bill which partially disconnects Oregon from the federal opportunity zone program, requires opportunity zone funds to report on certain aspects of their investments and directs the Legislative Revenue Office to study the opportunity zone program. OBI opposes this bill as it unfairly punishes Oregon investors and discourages investment in low-income communities across the state. [Click here](#) to read testimony OBI submitted on Feb. 6.
- [SB 1528](#), the legislation that changes the date of Oregon's connection to certain parts of the federal tax code from Dec. 31, 2018, to Dec. 31, 2019. Although Oregon is automatically connected to the federal definition of taxable income, the Oregon legislature passes a similar bill each year to update the connection date to other parts of the federal tax code. If the bill does not become law, any changes to these areas of federal tax law in 2019 will not apply for Oregon state tax purposes.

Employment-related bills still pending are:

- [SB 1527](#), which affected noncompete agreements, was passed to the House floor from the House Committee on Business and Labor on Monday.
- [SB 1525](#), which requires enhanced notice and data collection for construction projects in enterprise zones, rural long-term enterprise zones and strategic investment programs, but does not subject those construction projects to prevailing wage laws.
- [HB 4087](#) as introduced would allow BOLI to use proceeds from civil penalties to fund technical assistance for employers. The bill also allows employees to recover unpaid wages from the Wage Security Fund if employers are unable or unwilling to pay after BOLI issues a final order. On Wednesday the Ways and Means capital construction subcommittee adopted the [-A7 amendment](#), which stripped the civil penalty language from the bill and passed it to the full Ways and Means Committee, and sent it to the full House for a vote.
- [HB 4076](#), which seeks to establish an 11-member task force to examine age discrimination, moved from the Ways and Means to the full House on Thursday.

The environmental, health care and education bills in the House include:

- [HB 4168](#), would begin implementation of the broad forestry agreement between environmental groups and Oregon's forest industry according to the [Memorandum of Understanding](#) announced earlier this month.
- [HB 4024](#), which phases out the use of hydrofluorocarbons in equipment like refrigeration and air conditioning.
- [SB 1535](#) had a public hearing before the House Committee on Rules on Wednesday and Friday, when it was [amended](#) and passed to the full House. OBI has raised concerns about the bill, which would give the Department of Consumer and Business Services broad new authority to investigate drug manufacturers. Provisions that would have granted the state immunity should workers disclose proprietary information were removed from the bill. OBI [submitted comments](#) on Feb. 4.
- [HB 4098](#) directs the Oregon Department of Education to make computer science education mandatory in all classrooms by 2025-26.

In the Senate

Bills pending in the Senate include:

- [HB 4107](#) - which would prohibit discrimination based on hair type (which OBI supported) and also bans cash-free stores (which OBI has opposed),
 - [HB 4078](#), which bans the remote sales of vaping products.
 - [SB 1577](#) which requires licensing for all stores selling tobacco. The Joint Committee on Ways and Means approved it with amendments and sent it to the full Senate for a vote.
 - [SB 1521](#), which sets a foundation for transfer agreements between colleges.
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Do you have questions about pending legislation?

Feel free to contact our team.

- Tax, fiscal policies and retail: [Mike Stober](#)
 - Education and health care policies: [Nathaniel Brown](#)
 - Employment policies: [Paloma Sparks](#)
 - Environment and energy policies: [Sharla Moffett](#)
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Metro Tax Proposal

In the Portland tri-county area, the Metro Council voted to send a personal [income and business profits tax to the May ballot](#). Metro is asking voters to approve a 1% tax on the regional net income of businesses with global revenue of \$5 million or more. Currently, the city of Portland and Multnomah County have business income taxes, but there is no region-wide version. Additionally, Metro is proposing a 1% personal income tax on single filers with taxable income of \$125,000 or more and joint filers with taxable income of \$200,000 or more. No regional or local personal income tax currently exists. The proposal is aimed at raising \$250 million in new revenue for homeless services in the region. Metro is expected to go back to voters again in November, with a \$300 million measure to fund transportation investments. That package is also expected to include new business taxes.

Governor Announces Coronavirus Task Force

Gov. Kate Brown [announced today](#) that she is creating an intra-agency task force to deal with the “inevitable” outbreak of coronavirus in the U.S. The Coronavirus Response Team will direct state- and local-level responses to an outbreak. At the moment the threat of coronavirus outbreaks in Oregon is low.

Oregon Legislature in the News

[Oregon Republicans' Walkout Over Climate Cap-and-Trade Bill Reaches Day 5. Courtney is 'Angrier and Angrier'](#)

[Oregon House Democrats Vote to Subpoena Missing Republicans](#)

[Oregon Democrats Advance 'More Aggressive' Potential Paths to Regulate Carbon Emissions Than Cap-and-Trade Bill](#)

[Oregon Legislative Priorities in Limbo as Climate Standoff Continues](#)

[Oregon Republican Walkout Over Climate Cap-and-Trade Bill Continues for a Third Day](#)

[Oregon Republicans' Walkouts Could Delay Critical Spending Until 2021](#)

[Oregon House GOP Joins Senate Republicans' Walkout in Protest of Cap-and-Trade](#)

[No Sign of Compromise as Oregon Republican Boycott Grows](#)

[Oregon Senate Republicans Walk Out in Protest of Cap-and-Trade Bill](#)

[As Cap-and-Trade Bill Moves Forward, Republicans Head for Exits](#)

[State Sen. Shemia Fagan Enters Oregon Secretary of State Race](#)

[Demographic Shifts Drive Republican Party's West Coast Decline](#)

OBI Member Survey

We want your opinion on how well we're serving you! Please take 10 minutes to complete our annual member survey. As a thank you for your time, you will be entered to win a **\$500 Amazon gift card**. You have until Friday, March 20, to fill it out.

Membership
Survey

Upcoming Events

2020 Oregon Talent Summit

When: 8:30 a.m. to 4 p.m., Monday, March 9

Where: Oregon Convention Center, Portland

The Talent Summit brings together experts and partners from across the workforce and education landscape to share industry-based information and data related to the talent needs of Oregon's employers and our current and future workers. Organizers invite statewide partners and stakeholders from businesses, workforce and talent development organizations, K-12 and postsecondary education, economic development, community-based organizations, local and state government to register and attend.

Learn more about the event by [clicking here](#) or register by [clicking here](#).



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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.

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



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



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