



2020 Short Legislative Session Ends

In an extraordinary move, Oregon's Democratic Leaders essentially signed off for the remainder of the 2020 legislative session today, after denying an offer from Republican lawmakers to come back on Sunday – the last possible day of the session – to pass budget bills that landed in limbo after a Republican walk-out.

So ends what is clearly one of the most contentious legislative sessions in Oregon's history. Only three bills have passed during the session, which began Feb. 3 and is constitutionally required to end Sunday at midnight.



In a floor session at 2 p.m. today, House Speaker Tina Kotek, D-Portland, announced the House was in recess until 11:59 p.m. Sunday, after taking Republicans to task for failing to show up for legislative proceedings. In a Senate floor session that began at 2:30 p.m. Senate President Peter Courtney, D-Salem adjourned that chamber until the call of the President, adding "which means this session is over."

Read the House Republican legislators' announcement of their willingness to return to work [here](#), and the Senate Republicans' statement [here](#). Read Speaker Kotek's response [here](#). You can watch Sen. Courtney's statement [here](#), and Speaker Kotek's [here](#).

Work at the Legislature had largely ceased Feb. 25, after Republican lawmakers walked out in protest over the Democratic leadership's efforts to move controversial cap-and-trade legislation. Attendance by at least two Republican lawmakers is needed in both chambers to meet the two-thirds quorum requirement, and, without a quorum, votes may not occur in either

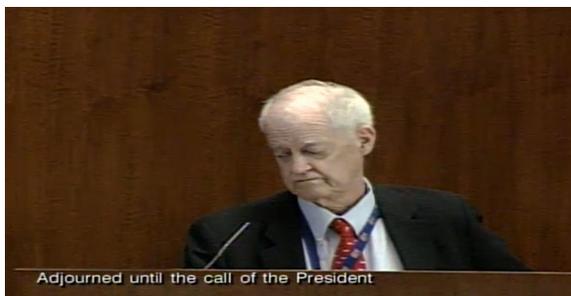
the House or the Senate. Only one Republican has attended each chamber, Sen. Tim Knopp, R-Bend, and Rep. Cheri Helt, R-Bend, since the walk out began.

The breakdown over cap and trade resulted in one of the deepest partisan rifts seen at the Legislature in decades. It also illustrated that the philosophical differences separating rural and urban Oregon are becoming more pronounced. For the most part, Republicans represent rural Oregon, where the Timber Unity movement rose up to lead opposition to cap and trade, the cost of which they believe would disproportionately impact rural Oregonians. Democrats, meanwhile, dominate urban Oregon, and they strongly advocated for passage of a bill to address climate change, saying the growing global problem requires urgent action.

Republican lawmakers demanded that cap and trade be put to Oregon voters for a decision. Democrats not only denied that request, but they also included an emergency clause in the bill they wrote, so that it would take effect immediately and make referral to voters impossible.

This was the second time a Republican walk-out has blocked passage of cap-and-trade legislation. In 2019, Senate Republicans walked out, but returned for the final two days of the session after Courtney announced there were not sufficient votes to pass cap and trade, so the bill would not be brought up for a vote. In those last two days of the 2019 session, with Republicans back at their desks, lawmakers quickly passed a number of bills. Republicans offered to do the same this session, returning Sunday, but they were rebuffed by the Democratic leaders, who said they would not agree to allowing Republicans to select which bills could move forward for a vote and which could not.

Courtney and Kotek announced today that the legislative Emergency Board would meet Monday to consider financial support for the state's efforts to deal with the coronavirus outbreak and the flooding emergency in Northeastern Oregon. They also said Gov. Kate Brown would be issuing executive orders related to carbon reductions, and that they have urged her to call a special session in the next 30 days. It is unclear whether a special session is politically feasible, considering the partisan break-down this session, and any executive orders from the governor related to carbon regulation are very likely to be challenged in court.



OBI was tracking several bills during the session that are now dead. A few include:

- [HB 4009](#), the corporate activities tax technical fix bill, which addresses some of the concerns we have raised about implementation of this new tax. Other provisions address concerns of our partners in the agriculture industry. We will work with the governor's office and others to see if we can address some of the concerns we have identified through administrative processes.
- [HB 4010](#), which would partially disconnect Oregon from the federal opportunity zone program. OBI has opposed this bill. We expect this concept to return in 2021.
- [SB 1528](#), which changes the date Oregon connects to the federal tax code for Dec. 31, 2018 to Dec. 31, 2019. Oregon is automatically connected to the federal definition of taxable income, but the Legislature passes a similar bill each year to update the connection date for other parts of the federal tax code. If this bill does not become law, any 2019 changes to these areas of federal tax law will not apply for Oregon state tax purposes.
- [SB 1527](#), which changes the statute impacting non-compete agreements. The bill limits non-competes to 12 months and sets a minimum wage threshold. OBI joined partners to negotiate several changes to this bill. We expect the concept to return.

- [SB 1525](#), which requires enhanced notification on projects in enterprise zones and other economic development programs. OBI was neutral on this bill, after negotiating several provisions with advocates. We expect the concept to return.
- [SB 1535](#), which gives the Department of Consumer and Business Services broad new authority to investigate drug manufacturers. Earlier provisions granting immunity to state workers to release proprietary information have been removed from the bill. OBI opposed this bill because of our concerns about expanded authority for the state agency.
- [HB 4124](#), which addresses campaign spending limitations. OBI has provided legal assistance on the development of this bill. Voters will be asked in November to approve a constitutional amendment allowing campaign limits, so we expect that how those limits will be administered to be a major topic of the 2021 legislative session.

Finally, how and whether carbon regulation will come back remains to be seen. Advocates have filed three potential ballot measures that take a different approach toward reducing Oregon's greenhouse gas emissions. Those have yet to qualify for the November ballot and, if they do, a robust campaign is expected. It may come back legislatively, but whether lawmakers will continue to pursue cap and trade as the means for reducing carbon is unclear.

Do you have questions about bills from this session? Feel free to contact our team.

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

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

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



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Oregon Business & Industry
oregonbusinessindustry.com
1149 Court Street NE
Salem, OR 97301

