



**2019 Oregon Legislative Session Report**  
for the  
**American Council of Engineering Companies**  
July 2019

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The 2019 Legislative Session ended at 5:24 pm on Sunday, June 30, just hours before the constitutionally mandated end of the session (midnight of June 30, 2019). This was the conclusion of a turbulent and unprecedented session that garnered media coverage across the country.

With supermajorities in both chambers and an agreeable Governor Kate Brown, the session passed several landmark pieces of legislation. However, the Governor's major legislation on climate change was killed by a lack of votes in the Senate in the late days of the session.

Senate President Peter Courtney withstood internal pressure from his caucus to keep his leadership role for a record 8<sup>th</sup> two-year term. He will return in the February 2020 session but will need to be re-elected for a ninth term or replaced following the session.

Senate Republicans used the power of quorum – the only tool available to them as Democrats have a super-majority in both the House and the Senate – not once, but two different times this session. In Oregon, both bodies of the legislature need two thirds of its members present in order to conduct any business – this means two Republicans must attend the floor sessions in both the House and the Senate in order to vote on bills.

The first time the senators walked out was in May over the Student Success Act, more specifically, over the Commercial Activities Tax that the legislation created. They were gone for four days and their return was not conditioned on changing that particular piece of legislation; instead they negotiated the fate of other bills, including the failure of legislation related to gun control and vaccinations.

The second time they walked out was in the closing days of session in opposition to HB 2020, which would've created a carbon reduction program in Oregon (also called Cap & Trade). This walkout lasted nine days and put a very long list of bills that were slated to pass in jeopardy, including many state agency budgets and the end of session budget reconciliation bill. This time, the Senate Republicans were able to kill HB 2020, citing the legislation's impact on energy costs, fuel prices, and rural Oregon. HB 2020 will return for the February 2020 session.

While there was some expectation that the Republicans would wield this tool at least once, it was also expected that Senate and House leadership would be able to avoid the type of breakdown we saw at the end of the session through negotiation and partnership. However, Republicans felt that they had been promised a bigger role in the final development of HB 2020 after the May walkout and Democrats had felt assured by the Republicans' earlier promise that they wouldn't walk out again.

In the end, the Senate Republicans returned in time for the legislature to meet over the weekend and pass a flurry of bills. Media coverage of these final two days include the Oregonian (<https://www.oregonlive.com/politics/2019/07/oregon-lawmakers-wrap-up-buzzer-beating-2019-session.html>) and OPB (<https://www.opb.org/news/article/oregon-legislative-session-concludes-final-day-sine-die-house-senate/>)

### **Specific Legislation:**

**HB 2769, QBS** – This bill is the result of a workgroup convened following a very contentious February 2018 session. ACEC, AIA, PLSO and others worked closely with local governments and a few legislators to reach this compromise bill. The bill allows local governments to choose between a continuation of the current QBS law or to add in a pricing component after the top three firms have been selected. This could be a significant change and the implications will only be fully understood after it takes effect on January 1, 2020. A commitment from all sides of the issue to continue to work together to implement the new law in a manner that is consistent with best practices and to help local governments fully understand the best way to procure design services for their particular project. To this end there have been initial discussions of templates, educational opportunities and implementation between all parties. Thanks to Erik Peterson and Tina Adams for their committed efforts to a good resolution from the workgroup. <https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2769/Enrolled>

**SB 369** – ACEC worked closely with this AIA sponsored bill to clarify the concept of substantial completion. Recent court decisions were inconsistent in interpreting when substantial completion would begin. An action against a person arising from the construction, alteration, or repair of any improvement to real property, including those providing supervision, inspection, design, planning, surveying, or architectural or engineering services must be commenced within ten years of substantial completion or abandonment of the project if the project is a small commercial or residential structure. For large commercial structures, the action must commence within six years of substantial completion or abandonment. ORS 12.135 defines substantial completion as the date when the contractee accepts, in writing, that the property has reached a state of completion when it may be used or occupied for its intended purpose. If there is no written acceptance, then the date of acceptance of the completed project.

Senate Bill 369 includes two additional occurrences that could trigger substantial completion of a project. Under the measure, substantial completion can include the date when a public body issues a certificate of occupancy or the date when the owner uses or occupies the improvement for its intended purpose.

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB369/Enrolled>

**HB 2206** – HB 2206 creates the Oregon Safety Assessment Program (OrSAP) which will train, certify and dispatch volunteers to perform post-disaster building safety assessments. Many other states have this program including WA and CA. ACEC member Allison Pynch was very involved in this bill.

### **Corporate Tax Increase**

The legislature passed and the Governor signed HB 3427, the “Student Success Act” which includes a corporate tax rate increase of 0.57% for all income above \$1 million. The bill also reduces personal income tax rates for the lowest three tax brackets by 0.25 percent (certainly helpful if the bill ends up being referred to voters). At passage, the tax was expected to raise \$2 billion in the 2021-2023 biennium. With an upgraded revenue forecast unveiled after the bill passed, the amount may in fact be closer to \$2.6 billion (\$1.3 billion per year for schools).

Revenue from the corporate tax increase will be used to bolster three education areas:

- School district budgets: 50% of funds are distributed to school districts based on student enrollment with extra funds going to districts with students below the poverty line. Districts must apply for the money and can use the funds for more instructional time, student health and safety, broadened course offerings or smaller classes.
- Early learning: 20% of funds are for early childhood special education, early intervention services, and preschool for low-income children.
- Statewide initiatives: 30% of funds are to improve high school graduation rates, career training, and provide school meal programs statewide.

The Tax Foundation of Oregon has developed a calculator to help businesses with revenue over \$1 million to determine the impact: <https://files.taxfoundation.org/20190501152303/How-to-Calculate-Oregons-Proposed-Corporate-Activity-Tax-Under-HB-3427-Flowchart1.pdf>

There is talk about a signature petition effort to have a repeal of the measure on the ballot. Anticipating that might happen, the legislature passed a bill moving such a referendum up to January 2020 rather than November 2020.

### **Paid Family and Medical Leave**

While the introduced bill included all sized businesses, longer leave and more cost to employers, a bipartisan negotiation led to a final bill that looks more like the program adopted in Washington State:

- State-run insurance program, administered by the Employment Department, and funded through payroll tax contributions:
  - Premium collection begins January 1, 2022 ◦  
Employees can begin to take leave January 1, 2023
- 12-weeks paid family and medical leave annually.
- All employees are eligible for program after they have earned \$1,000.
- Maximum payroll tax of up to 1%:
  - 60% employee paid
  - 40% employer paid
- Employers with 25 or fewer employees are not required to pay the premium.
- All employees are required to pay regardless of business size.
- Job protection requirements for employees who utilize the program.

## **Clean Diesel**

HB 2007 phases out old diesel engines for on-road trucks in Multnomah, Clackamas and Washington counties. Older truck diesel engines will disappear over the next 10 years, with this legislation requiring that all medium and heavy-duty trucks registered in Oregon be upgraded to a 2010 model engine or newer by 2029. Trucks may comply by switching to a cleaner fuel or by using retrofit technology to capture emissions. Additionally, in those counties, any state contract work over \$20 million must be done by contractors with 2010 model year or newer on and off-road diesel engines and equipment that meet certain emission standards in performance of the contract. The bill did establish a grant fund (from Volkswagen settlement dollars) to help truck owners. Emergency vehicles, farm tractors and equipment, log trucks, trucks used for 5,000 miles or fewer in a year and motor homes were exempted.

## **Rent Control**

Early in the session, Oregon became the *first state* in the nation with rent control. Democrat leadership prioritized capping how much tenants can be charged, when they can be terminated and how much they must be paid to relocate.

SB 608 caps rent increases at 7% per year + Consumer Price Index (which currently adjusts to just over 10%), restricts no-cause terminations to the first year of the tenant's occupancy and establishes a relocation fee equal to 1 month's rent for tenants being displaced.

## **PERS Changes**

Long awaited, often talked about, and part of the negotiation during the first Republican walkout over the corporate tax increase, the Public Employee Retirement System changes forced Democrat hands and pitted them against the unions that support and partner with them. Speaker Kotek and President Courtney had to exert power over their caucuses to get just enough Democrats to vote for the changes in SB 1049. A few Republicans voted for the bill, some said the changes weren't enough, while others scolded Democrats for going back on agreements with PERS members (look for that line in campaign season).

Major provisions of the bill are:

- Providing employee members a choice in selecting investment options;
- Redirecting employee contributions from their own accounts to payment of PERS debt;
- Limiting the Final Average Salary used to calculate the Full Formula Plus Annuity and Full Formula benefits;
- Capping annual salary at \$195,000 for all purposes;
- Broadening retired workers ability to return to work;
- Stretching out the payment timeline for state paying off debt.

Interestingly, the legislature provided an approving nod to sport betting games within the lottery by dedicating some profits to state matching funds for employer contributions to PERS. The combined savings from the measure are expected to reduce system-wide employer contribution rates by 5.43%, equaling \$1.2 to \$1.8 billion a biennium beginning in 2021-23.

## **SJR 18 – Campaign Finance Reform Potential**

Your November 2020 ballot will include this referral from the legislature that would amend the Oregon Constitution to authorize regulation of use of moneys in political campaigns. No numbers are included – first must come this change to the State Constitution which currently considers campaign contributions and expenditures forms of expression protected by Article I, Section 8.

Oregon is one of few states that do not cap contributions. *The Oregonian* recently reported that “Per capita, corporate interests have given more money to the average Oregon lawmaker than in any state in the country” and that “Oregon’s failure to regulate campaign money has given rise to an arms race that makes elections some of the nation’s costliest. The 2018 governor’s race broke records, with Brown, a Democrat, and Knute Buehler, a Republican, raising nearly \$40 million.”

## **Other Enacted Legislation Explanations – Taken in part from Legislative Staff Measure Summaries**

### **HB 2001 – Missing Middle Housing Effective Immediately**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2001/Enrolled>

HB 2001 outlines regulations related to middle housing, including where middle housing is allowed and how it can be regulated. Cities are directed to update their land use regulations or amend comprehensive plans in order to encourage middle housing by June 30, 2021 or by June 30, 2022, with deadlines based on population.

Requires cities with a population greater than 10,000 or within Metro to allow duplexes in lands zoned for single-family dwellings within urban growth boundary. Requires Metro counties and cities and cities with population greater than 25,000 to allow middle housing in lands zoned for residential uses within urban growth boundary. Requires Land Conservation and Development Commission to draft model ordinances. Requires cities and counties to amend their comprehensive plan and land use regulations to conform with requirements or to directly apply model ordinance developed by commission. Appropriates moneys to Department of Land Conservation and Development to provide technical assistance to local governments in implementing middle housing regulations and to plan improvement of urban services supporting middle housing. Requires local governments to support density expectations with findings when updating regulations to accommodate housing need. Requires cities to include number of permits issued and units produced of accessory dwelling units and middle housing in report to Department of Land Conservation and Development. Requires Department of Consumer and Business Services to establish alternate approval standards for low-rise middle housing conversions. Requires department to report on rules and standards to an interim committee of the Legislative Assembly by January 1, 2020. Prohibits enforcement of new restrictions that would prohibit the construction of middle housing in governing documents for planned communities or instruments affecting title to real property. Prohibits conditioning approval of accessory dwelling unit within urban growth boundary on off-street parking availability or owner occupancy.

The Land Conservation and Development Commission, in partnership with the Department of Consumer and Business Services, is to develop a model middle housing ordinance by December 31, 2020, which local governments must use if they have not developed their own housing ordinance. The measure appropriates \$3.5 million General Fund to the Department of Land Conservation and Development to

provide technical assistance to local governments to assist with the adoption of regulations or amendments to comprehensive plans as required by the bill.

## **HB – 2005 Paid Family & Medical Leave**

**Effective September 30, 2019**

**January 1, 2022 premiums would begin to be collected January 1, 2023 employees could begin to access paid leave**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2005/Enrolled>

Oregon currently requires family medical leave for employers with 25 or more employees. Leave can be taken for a serious illness, care for a family member who is ill, or bonding with a newborn or newly adopted child. More than half of Oregon workers are eligible for unpaid family and medical leave benefits under the federal Family and Medical Leave Act of 1993 (FMLA) and the Oregon Family Leave Act (OFLA). Oregon does require employers of 10 or more workers (six for employers in Portland) to allow employees to accrue and use up to 40 hours of paid sick leave each year.

Under HB 2005, an insurance program is created to provide employees with a portion of wages while on family and medical leave or military family leave. The new program will require employees to have received at least \$1,000 in wages during base year and to have contributed to fund in an amount determined by Director of Employment Department to be eligible for the benefit. The legislation directs the Employment Department to set contribution rates, collect payroll contributions and otherwise administer the program.

### Program details:

- Premium responsibility split 40 employer / 60 employee.
- Employers with 25 or more employees pay (40% of 1% of payroll) and employees pay (60% of 1% of payroll).
- Employers with less than 25 employees don't pay the "employer premium."
- Caps eligible employee's average weekly wage used in calculation at Social Security cap of \$132,900.
- Caps weekly benefit amount at 120% of state average weekly wage (approximately \$1,215). It also establishes a minimum weekly benefit amount as 5 percent of state average weekly wage (approximately \$50).
- Allows employee to use accrued paid leave (i.e., vacation leave, sick time) in addition to receiving paid family and medical leave insurance benefits to replace wages up to 100 percent.
- Job protection attaches 90 days.
- Modifies job protections for employee who work for employer with fewer than 25 employees: they may be returned to a different position with similar job duties and with the same pay and benefits.
- Prohibits civil action against employer who takes necessary action to restore employee returning from leave by terminating temporary replacement or returning employee transferred to fill vacancy to prior position.
- Authorizes use of leave will be expanded for specified crime-related purposes ("safe leave").
- Requires employee who commences unforeseeable leave without advance notice to provide oral notice to employer within 24 hours and written notice within three days.
- Explicit language that this Act does not require any collective bargaining agreements to be reopened.
- Extensive rule-making will need to be undertaken to fill in the gaps.

## **HB 2094 – Contracting with Debtors Effective**

**September 30, 2019**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2094/Enrolled>

### **BACKGROUND:**

In the course of awarding public contracts, contracting agencies are required by the Public Contracting Code to make a determination of whether a bidder or proposer is "responsible." This determination requires the bidder or proposer to demonstrate a number of factors to the contracting agency, including that the bidder or proposer has the appropriate resources and skills to complete the contract, has a satisfactory record of integrity, and has complied with the tax laws in this state. The results of this determination may dictate whether a bidder or proposer is awarded a contract.

### **WHAT THE MEASURE DOES:**

House Bill 2094 authorizes contracting agencies to consider at any time before executing a public contractor with the bidder whether the bidder/proposer owes a liquidated or delinquent debt to state.

### **AS REFERENCE:**

279A.010 Definitions for Public Contracting Code. (1) As used in the Public Contracting Code, unless the context or a specifically applicable definition requires otherwise: (b) "Contracting agency" means a public body authorized by law to conduct a procurement.

## **HB 2206 – State Fire Marshal Evaluations**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2206/Enrolled>

The coast of the Pacific Northwest has, for thousands of years, experienced periodic, catastrophic seismic events related to the Cascadia subduction zone (CSZ), which extends from northern California to British Columbia. However, it was not until the 1980s when scientists recognized the CSZ as an active fault that poses a major threat to Oregon. Since then, building codes have been updated, and state and regional preparations have been undertaken to prepare Oregon citizens and the state's infrastructure and governments to better sustain an earthquake, and also to recover following such an event. The Oregon Seismic Safety Policy Advisory Committee (OSSPAC) defines the goal of seismic resilience as follows: Oregon citizens will not only be protected from life-threatening physical harm, but because of the risk reduction measures and pre-disaster planning, communities will be able to recover more quickly and with less continuing vulnerability following a Cascadia subduction zone earthquake and tsunami.

HB 2206 directs the State Fire Marshal to develop and administer a statewide program to evaluate the condition of buildings after an emergency and determine whether the buildings may be safely occupied. The measure directs the State Fire Marshal to implement a statewide system for the registration of, and communication with, local program coordinators, certified building evaluators, and approved trainers. The bill also allows local governments to enter into agreements with private contractors to conduct building occupancy safety inspections following an emergency.

## **HB 2333 – Recreational Vehicles/Tiny Homes (also see SB 410)**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2333/Enrolled>

### **WHAT THE MEASURE DOES:**

HB 2333 clarifies the difference between recreational vehicles, which are titled and registered with the Oregon Department of Transportation, and park model recreational vehicles (also known as “tiny homes on wheels”), which are more than eight and a half feet wide and may be titled, but not registered, with ODOT. The measure removes regulation of recreational vehicles from the Department of Consumer and Business Services.

### **BACKGROUND:**

Until recently, park model recreational vehicles (also known as "tiny homes on wheels") were regulated by the Department of Consumer and Business Services (DCBS) as recreational vehicles (RVs). Under current law, DCBS regulates the construction of manufactured structures, which includes recreational vehicles, manufactured dwellings, and recreational structures. Manufacturers obtain certification by registering with DCBS and providing an approved quality control manual. Certified manufacturers may purchase insignias of compliance from DCBS, which are affixed to recreational vehicles intended for rent, lease, or sale in Oregon.

DCBS recently adopted a rule that changed the definition of "recreational vehicle" to exclude recreational vehicles with wood siding, pitched roofs, or bay windows, all of which are common features of park model recreational vehicles. Manufacturers and owners of these vehicles are no longer able to receive the recreational vehicle insignia of compliance from DCBS.

After a brief lapse, the Oregon Department of Transportation (ODOT) has resumed issuing title and registration documents to those units that are no wider than 8.5 feet. The measure would deregulate the construction of recreational vehicles, including park model recreational vehicles. The measure would define a park model recreational vehicle as a recreational vehicle that is more than 8.5 feet wide. It would permit ODOT to issue a title to any recreational vehicle, but not a registration, for a park model recreational vehicle. It would remove regulation of the construction of recreational vehicles from DCBS.

## **HB 2415 – Public Contract Retainage**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2415/Enrolled>

### **WHAT THE MEASURE DOES:**

If a contract price exceeds \$500,000, requires a contracting agency to place amounts deducted as retainage into an interest-bearing escrow account. Interest on the retainage amount would accrue from the date the payment request is approved until the date that the retainage is paid to the contractor to which it is due. Also requires an owner, contractor, or subcontractor, if a contract price exceeds \$500,000, to place amounts withheld as retainage into an interest-bearing escrow account.

### **BACKGROUND:**

Retainage is a portion of the agreed upon contract price deliberately withheld until the work is substantially complete to ensure a contractor will satisfy its obligations under a construction contract. With respect to public contracting, a contracting agency may reserve as retainage from a progress payment an amount no greater than five percent of the payment. Upon a written request by the contractor and approval by the contractor's surety, the contracting agency may choose to reduce the

amount retained and, after 50 percent of the work is completed, the agency may choose to eliminate the retainage. Once 97.5 percent of the work is complete, the contracting agency may use its discretion to reduce the retained amount to 100 percent of the value of the work yet to be completed. Retainage held by the contracting agency must be paid to the contractor as part of the final payment and interest earned on money retained is due to the contractor. Five percent retainage is allowed on private projects.

### **HB 2423 – Small Home Specialty Code**

**Effective October 1, 2019**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2423/Enrolled>

In response to a rise in consumer demand for low-cost or minimally-sized housing, the 2018 International Residential Code (IRC) includes Appendix Q, which allows permanently-sited homes up to 400 square feet to contain sleeping lofts accessed by ladders. Current statute requires the Department of Consumer and Business Services to adopt construction standards for homes not more than 600 square feet, including provisions allowing for sleeping lofts accessed by a ladder or alternating tread device. The Oregon Residential Specialty Code (ORSC) allows any home to contain a sleeping loft accessed by a ladder or alternating tread device, as long as the structure includes certain fire and life safety provisions including residential fire sprinklers.

Adopts 2018 International Residential Code with Appendix Q as Small Home Specialty Code for construction of home no more than 400 square feet in size. Prohibits Director of Department of Consumer and Business Services (DCBS) from amending small home specialty code. Requires small home to include photoelectric smoke alarm. Adopts standards for residential fire sprinkler system. Specifies design calculation for fire sprinkler system shall consider maximum of two sprinklers and that small home be considered a single compartment. Allows local building official to allow increased detection and alarms in lieu of fire sprinkler system, and to alter, modify, or waive any specialty code requirement when strict adherence to SHSC is impractical or infeasible. Requires that building and zoning permits for designate small home is single family project and certificate of occupancy allow only for residential use as single family dwelling.

### **HB 2485 – Condominium Associations**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2485/Enrolled>

Oregon law governing condominiums is found in Chapter 100 of the Oregon Revised Statutes. Condominiums generally have two forms of ownership: the individual title to the unit and an interest in common with the other unit owners of the common elements of the complex, such as land, foundations, roofs, stairways, landscaping, and parking. In order to form a condominium, a declaration must be properly filed with the Real Estate Agency. Additional governance for condominiums comes from the bylaws.

House Bill 2485 A provides an update to numerous sections of Chapter 100. It creates a process for association of unit owners to adopt a resolution to prepare and record a restated declaration or restated bylaws without the approval of the unit owners. Specifies process for preparation and restated assignment of limited common elements. Provides approval process for approval of bylaws and amendments based on original dates. Specifies documents that must be included when filing declarations, supplemental declarations, amendments, or bylaws with Real Estate Commissioner. Outlines process for submitting real property for condominiums that will not be for sale. Provides

statutory notice for prospective buyers when reserve study not completed. Updates process for filing of inventories. Specifies information that must be included in unit sales agreement. Revises approval process for declarations of nonresidential condominiums. Provides that in cases in which floor plans were not required but were shown on the plat at the time of creation of the condominium or recording of supplemental declaration, the plat may not be amended through references of recording index numbers, descriptions of changes to floor plans, or graphical depictions of the changes.

**HB 2496 – Public Contracts and Green Energy Technology Effective  
September 30, 2019 – Operative January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2496/Enrolled>

Current statute requires all public building construction, reconstruction, or major renovation projects with costs exceeding 50 percent of the value of the building to expend at least 1.5 percent of the total contract price on "green energy technology," which is defined as a solar, geothermal, or woody biomass energy system used directly for space or water heating or to generate electricity, or a building design that uses solar energy passively to reduce energy use from other sources by at least 20 percent.

House Bill 2496 eases the green energy technology in public buildings requirements by adding battery storage that is part of an on-site solar or geothermal energy system to the definition of "green energy technology." It also lowers the threshold, from 20 to 10 percent reduction of energy use, for passive solar energy building designs to meet the definition of "green energy technology" and allows contracting agencies that determine green energy technology is not appropriate for a particular public building to use energy-efficient technologies, engineering, or design to meet green energy technology expenditure requirements.

**HB 2769 – Qualifications Based Selection of Design Professionals  
Effective September 30, 2019  
Operative January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB2769/Enrolled>

**BACKGROUND:**

State and local governments use Qualifications-Based Selection (QBS) to procure architectural, engineering, land surveying, photogrammetric mapping, or transportation planning services. QBS requires contracting agencies to make selections on the basis of each consultant's qualifications for the type of professional service required. QBS allows a contracting agency to ask for or use pricing policies and proposals, or other pricing information, to determine consultant compensation *only after* a candidate is selected. If negotiations regarding compensation do not reach a level that is reasonable and fair to the contracting agency, the contracting agency can then select the second most qualified consultant, and request pricing information, and so on, one at a time, in descending order.

**WHAT MEASURE DOES:**

HB 2679 allows consideration of pricing information in QBS was discussed in 2018 (House Bill 4127). A workgroup met throughout the interim to develop the policy changes contained in HB 2769. The measure allows a local government contracting agency to select up to three of the most qualified firms that have responded to a request for qualifications and then request pricing policies and other pricing information from those firms prior to making a selection. Requires the local contracting agency to state in solicitation documents what factors will be used to evaluate proposals, including pricing information. Limits weight given to price proposal to 15 percent. Establishes rights to protest a state or local contracting agency's use of Qualifications-Based Selection.

**HB 3030 – Temporary License** *(see also SB 688)*

**Effective September 30, 2019 Becomes**

**Operative January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3030/Enrolled>

The National Conference of State Legislatures reports that 66 percent of military spouses are in the workforce, and that 25 percent of military spouses have a bachelor's degree and 10 percent hold an advanced degree. Despite their level of education, nearly one-third of military spouses are underemployed. According to a 2015 report on occupational licensing issued by the White House, more than 25 percent of workers are doing work that requires a license, with most of those licenses being issued by a state agency.

House Bill 3030 allows state professional licensing board to issue temporary authorization to work if person meets all four of the following criteria: is spouse of U.S. Armed Forces member stationed in Oregon, holds current authorization issued by another state, provides board sufficient proof that person is in good standing with out-of-state licensing board, and has demonstrated competency. It directs the board to revoke temporary authorization when a spouse completes term of military service in Oregon or when out-of-state authorization expires. It also specifies that temporary authorization is not renewable.

**HB 3143 – Practice of Engineering Effective**

**January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3143/Enrolled>

The Oregon State Board of Examiners for Engineering and Land Surveying (OSBEELS) regulates the practices of engineering, land surveying, photogrammetric mapping, and water right examination in the state as they relate to the welfare of the public in safeguarding life, health, and property. The Board assures that only competent individuals are granted licenses to practice engineering, land surveying, and photogrammetric mapping; that only registered individuals are offering and/or providing engineering, land surveying, or photogrammetric mapping services, or water right examination; and that registered individuals maintain high standards of practice and compliance with applicable statutes, rules, and regulations.

After his wife received a ticket for running a red light in 2013, Mats Jarlstrom analyzed the method for calculating the duration of yellow lights and found the formula failed to account for drivers who must slow down to make a legal turn. Mr. Jarlstrom, who holds bachelor's degree in engineering from Sweden, identified himself as an engineer as he advocated for changes to the formula. OSBEELS found that Mr. Jarlstrom violated state law by claiming to be an engineer without holding the appropriate license from OSBEELS, and assessed a civil penalty. Mr. Jarlstrom appealed the penalty to the U.S. District Court for the State of Oregon. In a 2018 decision, the court ruled that the prohibition on using the title "engineer" was substantially overbroad and a violation of the First Amendment of the U.S. Constitution.

House Bill 3143 narrows regulated activities and oral representations that constitute the practice of engineering, professional engineering, or land surveying. Clarifies that practice of engineering means providing specified services for others. Clarifies which aspects of land surveying, whether done for self or others, is a practice of land surveying subject to regulation. Clarifies that someone is practicing engineering or land surveying when they bid to perform or perform commercial or professional services or work, or when they claim in advertising, signs, letterhead, or such, that they are a professional or registered practitioner.

## **HB 3309 – Construction in Tsunami Zone**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3309/Enrolled>

This bill, relating to the State Department of Geology and Mineral Industries, originally set forth a directive to DOGAMI to do a study of geological and mineral resources of the state, to one that solved two other problems:

1) Amends definition of “surface mining” to exclude certain excavation and grading activities. 2) Removes State Department of Geology and Mineral Industries’ authority to prohibit certain construction within tsunami inundation zone.

Repeals restriction that new essential facilities and new special occupancy structures may not be constructed in tsunami inundation zone (ORS 455.446). Repeals requirement that State Department of Geology and Mineral Industries (DOGAMI) Board adopt tsunami inundation zone parameters. Repeals requirement that DOGAMI grant exceptions to restrictions in tsunami inundation zone. Establishes that excavation or grading operations that are associated with on-site construction activities, and do not result in excavated materials being sold commercially, are not defined as 'surface mining' (ORS 517.750).

## **HB 3450 – Mixed Use Housing**

**Effective January 1, 2020 Sunsets**

**January 2, 2024**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/HB3450/Enrolled>

Authorizes a city with a population greater than 75,000 that is not within a metropolitan service district or within a transportation district to adopt changes to comprehensive plan and land use regulations to allow mixed-use housing in areas zoned for employment uses. Requires city to consult with Department of Transportation and submit changes to LCDC for approval. Provides specifications for changes and criteria for Commission to conduct exclusive review. Repeals authority January 2, 2024.

## **SB 410 – Recreational Vehicles/Tiny Homes** *(also see HB 2333)*

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB410/Enrolled>

Eliminates Department of Consumer and Business Services (DCBS) regulation of recreational vehicle and recreational structure construction. Expands exemption from state building code, plan review, and licensure requirements to include all manufactured structures to be delivered in another state. Creates substitute definitions for use in specified statutes. Makes conforming amendments. Maintains DCBS definition of recreational vehicle adopted in rule until repealed or amended by Director of Transportation. Clarifies that measure does not divest DCBS or local building inspection program of authority over violations committed prior to effective date.

### **SB 471 – Contractors and Conflict Minerals**

**Effective September 30, 2019 Becomes**

**Operative January 1, 2021**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB471/Enrolled>

Armed groups have continued to perpetuate violence throughout Central and Southern Africa since the end of the Second Congo War in 2002. The region contains abundant natural resources, including copper and diamonds, and is the world's largest producer of cobalt ore. Armed groups in the region have profited by illegally extracting and selling tin, tantalum, tungsten, and gold, all of which are used in the production of consumer products.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 requires all publicly traded companies to report and disclose if conflict minerals from the Democratic Republic of the Congo can be found anywhere in their supply chain, and the City of Portland adopted standards in August of 2018 that give preference to bidders that source conflict-free minerals.

Senate Bill 471 requires state contracting agencies to obtain bids that detail what conflict minerals might be used in a project and the contractor's due diligence standards used to ensure the use of conflict-free minerals.

### **SB 688 – Temporary Authorization Study (see also HB 3030)**

**Effective January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB688/Enrolled>

Senate Bill 688 references passage of HB 3030 (above) and directs professional licensing boards to report to interim committee related to veterans on number of temporary authorizations issued to spouses or domestic partners of members of armed forces stationed in Oregon, as well as the number of such applications for which a temporary license was not granted and the reasons for not granting, the amount of time used to process such applications, efforts to implement and maintain a process to issue temporary authorizations, and other related information.

### **SB 854 – Non-Citizen Licensing**

**Effective September 30, 2019 Becomes**

**Operative January 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB854/Enrolled>

Current regulations require many workers to obtain an occupational license in order to engage in that profession. According to the Migration Policy Institute, Oregon was home to 55,000 immigrants with at least a bachelor's degree from 2009 to 2013. Roughly a quarter of those individuals were unemployed or working in a low-skilled job, resulting in \$272.5 million in lost annual earnings and \$27.7 million in forgone annual state and local tax payments.

Social Security numbers are used to report a person's wages to the government and determine eligibility for Social Security benefits. Many organizations also use the Social Security number as a unique identifier for unrelated purposes. Social Security numbers are assigned at birth for citizens; noncitizens who provide specified documentation are also able to obtain a Social Security number. A noncitizen who is unable to obtain a Social Security number can obtain a federally issued identification number, including an individual taxpayer identification number.

Senate Bill 854 directs professional licensing board, unless otherwise required by federal or state law, to accept federally issued identification number in lieu of applicant's Social Security number for issuance or renewal of a licensure, certification, or other authorization to provide the occupational or professional service.

**SB 855 – Immigrant Licensing Study**  
**Effective September 30, 2019 Becomes**  
**Operative July 1, 2020**

<https://olis.leg.state.or.us/liz/2019R1/Downloads/MeasureDocument/SB855/Enrolled>

Senate Bill 855 directs professional licensing boards that regulate an occupational or professional service to study manner in which persons who are immigrants and refugees become licensed, and to develop and implement methods to reduce barriers to licensure for applicants who may be immigrants or refugees. Requires licensing boards to report by November 30, 2019, to Legislative Assembly on progress in meeting requirements.

**Seismic Resilience Allocations**

- \$121.5 million of Article XI-M and XI-N bonds for seismic rehabilitation grants to schools and emergency services facilities;
- \$126.1 million of Article XI-P bonds to fund matching grants to school districts for capital improvements;
- \$28,230,000 in Article XI-Q bonds for the Oregon Judicial Department's Supreme Court Building Renovation Project. The project is to renovate the Oregon Supreme Court building, including seismic updates, energy efficiency improvements, and various systems and safety code upgrades.

***Failed Bills of Note...***

**HB 3002** public contract tracking via computer software.

**SB 896** Canadian comity bill introduced for the third session on behalf of PNWER

**HB 2020** Cap and Trade – Carbon reduction program

**HB 2116** Required professional licensees to demonstrate and maintain tax compliance as condition of issuance or renewal of license.

**HB 2420** Required that municipal building official be employed by municipality or council of governments or under intergovernmental agreement.

**HB 2661** Shortened period of limitation for tort action by homeowner association arising out of structure construction defect.

**HB 2821** Required DCBS to make structural specialty code requirements for seismic force resistance applicable retroactively to existing unreinforced masonry structures two or more stories above grade.

**HB 3157** Required DCBS to amend Low-Rise Residential Dwelling Code to require alternative energy collection or generation by December 15, 2020.

**HB 3158** Requires businesses receiving more than 20% of gross receipts from public contracts to include statement of amount received with tax return filed with Department of Revenue.

**SB 331** Required local governments conducting buildable lands review within urban growth boundary to consider impacts on various income levels, to analyze housing price ranges and to consider gentrification.

**SB 379** Provided that conditioning employment on refraining from using any substance that is lawful to use in this state is unlawful employment practice.

**SB 656** Required professional licensing boards to consider experience in lieu of high school diploma or equivalent for licensure.

**SB 773** Required each professional licensing board to study criminal background criteria and character standards for licensure.

**SB 898** Changes qualifications process for building officials and inspectors.