

AGC Oregon Columbia Chapter

ASSOCIATED GENERAL CONTRACTORS

January 19, 2021 – June 26, 2021

2021 LEGISLATIVE SESSION REPORT TO MEMBERS

Chairs outside of the Oregon House of Representatives are blocked off due to COVID-19 on Wednesday, June 23, 2021 at the Oregon State Capitol in Salem.
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MESSAGE FROM OUR BOARD PRESIDENT

Oregon's political landscape has changed. As your Board President, I had a front row seat to see firsthand how our state's long history of bipartisanship has evaporated, how a closed Capitol undermines the give and take that good legislation requires, and just how complicated it has become to have our industry's voice heard on issues critical to construction. AGC led the coalition that kept in place a workers' compensation system that remains a national model. AGC also led the effort, in tandem with local government interests, to limit the public works subject to new public contracting requirements that threaten to exclude members from performing public work. In a long standing coalition with the Oregon Trucking Associations and AAA, we pushed through, on the last day of the session, a bill that will jumpstart the needed tolling to fully fund the construction of the metro area transportation mega-projects (including Rose Quarter, I-205, and Boones Ferry projects) necessary for a functioning transportation system. That is not to say we prevailed on every issue or that the wins we had will be permanent. We know we will face a continued push for more business taxes to support massive increases in state spending, there will be ongoing efforts to tighten laws regulating our diesel equipment fleets, and legislators will continue to imbalance the relationship between labor and business owners. As we saw in 2021, when the legislature convenes again in early 2022, all of this may be done without allowing the citizens of Oregon to directly access the legislative process as we may not be allowed in the Capitol Building. This session also reminded me that nothing of real import can be done alone. Advocacy is a team sport. I hope you will join me in congratulating our Legislative Forum Co-Chairs, Dee Burch and Tom Gerding, for their tireless and long-standing leadership of our chapter's advocacy efforts. In addition, Larry Gescher deserves our appreciation for his years of guiding us on environmental issues, in particular on diesel equipment regulations. Finally, I want you to know that because of the incredible work of John Rakowitz, Kirsten Adams, and Lauren Kuenzi, AGC once again had an outsized impact on issues with consequences for each and every member, their companies, and our industry at large. This team is tireless in its work on behalf of the construction industry. Their skill, experience, and network make AGC a force to be reckoned with. We are fortunate to have them in our corner. Enjoy the rest of the summer and get some rest. We are all going to need it. 2022 will be here before we know it. It's going to be quite a ride.




BALDWIN
GENERAL CONTRACTING, INC.

SESSION AT A GLANCE

key takeaways + issues

- Defending Oregon's Workers' Compensation System
- Historic Tolling and Capital Construction Investments Approved
- Limited Public Contracting Mandates and Changes to Prevailing Wage Laws
- Diesel Regulations and Tax Bills Defeated
- Employer/Employee Relationship
- Business Taxes
- Campaign Finance
- Redistricting

The 2021 Legislative Session will be remembered for a long list of firsts. 1. The Capitol was closed the entire session to the public and AGC's lobbying team. 2. For the first time in Oregon's history a state representative was expelled and removed from office, adding to a highly contentious environment. 3. A recent record-breaking number of more than 4,000 new laws were proposed. 4. The legislature had available unlimited revenues likely setting up a future appetite for new taxes to maintain the increased state spending going forward. In the face of all these dynamics, AGC's lobbying team adapted and went to work pushing back and defeating many bad ideas, and where possible, advancing our industry's core interests, including unprecedented investments in Capitol construction projects and jumpstarting transportation tolling. We worked in lockstep with other business and industry interests, in particular Oregon Concrete & Aggregate Producers Association (OCAPA) and the Oregon Home Builders Association, maximizing the construction industry's impact. Inside this report our members will find bills ranging from public works spending to proposed environmental regulations and new tax laws. You will find both bills that passed and those that we defeated. If you have any questions about specific bills, please reach out to our lobbying team. [Contact: John Rakowitz, 503-317-1781, johnr@agc-oregon.org; Kirsten Adams, 503-990-2262, kirstena@agc-oregon.org; or Lauren Kuenzi, 971-412-1063, laurenk@agc-oregon.org]

WINS & LOSSES



DEFENDING OREGON'S WORKERS' COMPENSATION SYSTEM

The defense of Oregon's longstanding, affordable, and effective workers' compensation system was one of the hallmarks of the 2021 Legislative Session. Bills and approaches to unravelling the national model included an attempt to eliminate self-insurance, several bills that would have brought illegitimate workers' compensation claims into the system, and others that would weaken the Management-Labor Advisory Committee (MLAC), the longstanding gatekeeper for the workers' compensation system. The AGC led workers' compensation coalition defeated all of those bills threatening to unbalance the system. This fall, MLAC will continue to discuss these policy proposals in anticipation of advocates' continued interests in future legislative sessions.

DEFEATED COVID-19 WORKERS' COMPENSATION PRESUMPTION - SB 488

Background: AGC led the effort to defeat the COVID-19 workers' compensation presumption in the three special sessions of 2020. SB 488 would have presumed that if an employee was working during the pandemic and contracted COVID-19, it qualified as a workers' compensation claim. This would have led to a large number of non-work related COVID-19 claims, overwhelming the system and likely increasing workers' compensation insurance costs as a result of non-workplace injuries.

Result: AGC led the coalition with Oregon Business & Industry and successfully defeated this bill again in the 2021 Legislative Session, arguing that MLAC consider any legitimate changes related to COVID-19 claims. This is one more step in protecting MLAC's role as the gatekeeper to make policy driven recommendations for the workers' compensation system.

DEFEATED SECONDARY EFFECTS OF COVID-19 30 YEAR PRESUMPTION - SB 802

Background: After the presumption bill for COVID-19 was defeated, SB 802 proposed a presumption for secondary effects of COVID-19. This presumption would have allowed an employee who was working during the pandemic to file a workers' compensation claim for secondary effects of COVID-19 for 30 years following the pandemic.

Result: AGC led the coalition against this bill and focused on the fact that, under Oregon's system, these secondary effects would already be covered as long as a claim was filed for the initial COVID-19 illness. We were successful in defeating this version of the COVID-19 presumption, in addition to the primary presumption proposal.

DEFEATED BAN ON SELF-INSURANCE CLAIMS PROCESSING - SB 801

Background: This bill would have required SAIF to process all self-insured employers' workers' compensation claims (a proposal not supported by SAIF). An amendment was also considered to create a task force to study self-insurance and issues of access in the workers' compensation system. AGC led the coalition that strongly opposed both the initial proposal and the task force. The task force again threatened to weaken the role that MLAC traditionally plays.

Result: AGC and the workers' compensation coalition were successful in defeating both proposals. The Senate Committee on Labor and Business tasked MLAC with studying self-insurance issues and the ability for workers to access the workers' compensation system following the adjournment of the 2021 Legislative Session.

DEFEATED WORKERS' COMPENSATION TIME LOSS - SB 489

Background: This bill, brought by the Oregon Trial Lawyers, would have made substantial changes to time loss provisions in workers' compensation, including removing the restriction on retroactive authorizations for temporary disability compensation (currently 14 days) and limiting the ability for insurers to recover overpayments over \$5,000. The underlying concept of SB 489 has been under considerable discussion at MLAC for over a year.

Result: AGC worked with other members of the workers' compensation coalition to convince the Senate Labor & Business committee to allow MLAC to continue its work on the issue.

HISTORIC TOLLING & CAPITAL CONSTRUCTION INVESTMENTS APPROVED

The 2021 Legislative Session included unprecedented capital construction investments for all types of infrastructure projects including water treatment facilities, schools, community colleges and universities, and local projects of every imaginable type and in every corner of Oregon. Sources of funding included traditional use of state bonding authority, a big boost from American Rescue Plan Act (ARPA) funds, and an estimated \$1 billion+ of additional tolling revenues for mega projects.

PASSED TRANSPORTATION OMNIBUS BILL - HB 3055

Background: HB 3055 jumpstarts tolling in the metro area, establishing a statutory framework for the purpose of raising revenues and ultimately addressing congestion in the metro area. The bill provides ODOT with the flexibility to expand utilization of short-term borrowing necessary to fully fund the construction of the metro area mega projects approved by the Oregon Legislature in 2017. This bill also included a wide array of technical and legal updates relating to the operations of ODOT. HB 3055 does not require proposed PLA considerations for the metro area mega projects. The only additional public contracting mandates are required for ARPA funded projects and a limited number of higher education projects.

Result: The bill passed on the last day of the 2021 Legislative Session after several amendments were drafted and adopted.

DEFEATED TOLLING BILL - HB 3065

Background: House Speaker Tina Kotek introduced HB 3065, directing ODOT to utilize tolling for the purposes of congestion management and potentially redesigning the I-205 and Rose Quarter projects, likely leading to substantial construction delays. The bill would have required ODOT to address equity and climate concerns, traffic diversions, and a requirement to consider project labor agreements for these projects.

Result: Traditional Highway Trust Fund stakeholders, including AGC, opposed the bill and in its place, supported passage of HB 3055, outlined above.

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SATURDAY, JUNE 26, 2021

WINS & LOSSES

PASSED CAPITAL CONSTRUCTION PROJECTS - SB 5505

Background: In the final days of session, an amendment to the major capital construction budget bill, **SB 5505**, was released that added labor standards to six higher education capital construction projects (not the broad breadth of other projects). On these limited projects, each contractor or subcontractor with a contract of \$200,000 must:

- employ apprentices to perform 15 percent of the work hours that workers in apprenticeable occupations perform under the contract;
- have a plan for outreach, recruitment and retention of women, minority individuals, and veterans to perform work under the contract, with the aspirational target of having at least 15 percent of total work hours performed by individuals; and
- provide health insurance and retirement benefits to workers.

Result: AGC aggressively lobbied legislative leadership regarding apprenticeship and other public contracting requirements that limit the number of contractors able to bid on these projects. Ultimately, new labor requirements were limited to the higher education projects.

PASSED PLA AND LABOR STANDARDS ON ARPA PROJECTS - HB 3011

Background: In the final days of session, **HB 3011**, a large capital construction/budget bill, was amended, requiring the use of project labor agreements on capital improvements to water, sewer, broadband, or transportation infrastructure; with an estimated project cost of at least \$10 million; and that utilizes at least \$750,000 of the American Rescue Plan Act (ARPA) funds. For contracts greater than \$200,000, contractors and subcontractors must enter into a PLA that, at a minimum, provides for payment of wages at or above the prevailing rate of wage; employ apprentices to perform 15 percent of the work hours by craft; and develop a plan for outreach, recruitment and retention of women, minority individuals, and veterans, with the aspirational target of 15 percent of total work hours performed by those individuals. There are several off-ramps/exceptions to these requirements. The requirements do not apply in non-metro areas and if they would cause significant expense, delay, or limit the pool of bidders to fewer than three.

Result: The final version of **HB 3011** containing PLA language was voted out of committee without the benefit of a public hearing or the opportunity to oppose.

2021 LEGISLATIVE CO-CHAIRS

"WHAT DIDN'T HAPPEN MATTERED AS MUCH AS WHAT DID HAPPEN IN THE 2021 LEGISLATIVE SESSION - FOR GENERAL AND SPECIALTY CONTRACTORS ALIKE."

CORE POLICIES

Every member of AGC is encouraged and invited to join AGC's Legislative Committee Forum to help shape the core policies that inform our legislative positions. Contact Kirsten Adams to become a member of AGC's Legislative Forum and attend our annual meeting.



Dee Burch



Tom Gerding



LIMITED PUBLIC CONTRACTING MANDATES & CHANGES TO PREVAILING WAGE LAWS

Construction-union oriented legislators and their allies proposed a flood of bills that, if passed, would have threatened the ability of many contractors to perform public works. Defeated bills included mandating apprenticeship requirements for all public works, requiring any contractor to be a BOLI-certified training agent, and meeting unfeasible apprenticeship utilization percentages, causing AGC to lead the opposition. AGC has long supported apprenticeship, including additional investments in career and technical education (CTE), and opposes apprenticeship mandates that can and do limit a contractors' ability to compete for public work.

PASSED COLLECTIVE BARGAINED AGREEMENT - PREVAILING WAGE RATE - SB 493 + HB 2419 (HOUSE COMPANION BILL)

Background: **SB 493's** passage represents the biggest change to prevailing wage rate laws in decades. Effective January 1, 2022, BOLI will set prevailing wage rates utilizing the highest collective bargained rate for that region, for all crafts throughout Oregon. The bill applies to all public works, local, and state projects. A similar law passed in Washington and has led to substantial prevailing wage rate increases and remains in litigation regarding its constitutionality.

Result: AGC led an aggressive coalition that included OCAPA, Associated Builders & Contractors, League of Oregon Counties, Independent Electrical Contractors of Oregon, Oregon School Boards Association, and Oregon Special Districts Association of Oregon, arguing that this would substantially increase the cost of public works, in particular in non-urban areas of the state. Despite repeated attempts to negotiate amendments, the bill passed, utilizing the highest CBA rate as opposed to the average. AGC worked with several legislators to ensure BOLI reports the cost impacts of this legislation to the legislature by fall 2022.

DEFEATED TRAINING AGENT FOR RESPONSIBLE BIDDER AND 15% APPRENTICESHIP - SB 576 + HB 2756 (HOUSE COMPANION BILL)

Background: **SB 576** and **HB 2756** would have changed responsible bidder and apprenticeship requirements. The bills proposed a change to current law and would have lowered the contract price at which apprenticeship utilization requirements applied from \$1,000,000 to \$200,000. Additionally, these proposals would have increased the utilization percentage from 12 percent to 15 percent and added to responsible bidder requirements that contractors be a registered training agent. Previous legislation had exempted ODOT allowing them to maintain their own apprenticeship program.

Result: AGC lobbied hard against this bill reminding the legislature that in 2016, apprenticeship utilization standards were passed and broadly supported by stakeholders, both labor and management. AGC succeeded in keeping both bills from moving out of committee.

WINS & LOSSES

DEFEATED INCREASED APPRENTICESHIP, HEALTHCARE, AND RETIREMENT FOR SCHOOL PROJECTS - SB 577

Background: This bill would have created new requirements for school districts and higher education projects with contract prices of \$200,000 or more. SB 577 would have required that contractors be a registered training agent, provide health insurance and retirement benefits for employees, and employ apprentices to perform 15 percent of work hours that workers in apprenticeable occupations perform.

Result: AGC worked closely with the Oregon School Boards Association to oppose and defeat this bill.

DEFEATED RETIREMENT AND HEALTHCARE AS RESPONSIBLE BIDDER REQUIREMENTS - HB 2757

Background: HB 2757 would have created a new responsible bidder requirement for all public works requiring contractors to provide health insurance and retirement benefits for their employees.

Result: AGC lobbied against this bill pointing out the difficulty that small and start-up contractors would have meeting these requirements. AGC was successful in defeating the bill before it moved out of committee.

DEFEATED RENEWABLE LABOR STANDARDS - SB 839

Background: This bill would have required the payment of prevailing wage and other specific labor standards on the construction of renewable energy facilities in Oregon. Contractors and subcontractors would have been required to provide their employees with healthcare and retirement benefits, and to participate in an apprenticeship program registered with the State Apprenticeship and Training Council.

Result: AGC lobbied against SB 839 and the expansion of prevailing wage and new labor requirements to private construction projects. While this bill was defeated, similar labor standards and prevailing wage requirements are included in the passage of HB 2021 (summarized later in this report).

PASSED COMMUNITY BENEFIT AGREEMENTS - SB 420

Background: SB 420, as introduced, mandated that community benefit agreements within local construction project contracts require contractors to be registered training agents, employ apprentices at a certain percentage, and provide a health plan for the employee and their dependents. Under current law, local contracting agencies are permitted, but not required, to include these requirements.

Result: AGC worked with ABC to ensure that this bill's new requirements remained permissive. When SB 420 reached the House, the permissive requirements were expanded to include all public works contracts and the change was pushed through, over AGC and ABC's objections.

DIESEL REGULATIONS & TAX BILLS DEFEATED

Since the 2015 Legislative Session, AGC has pushed back on the need to regulate diesel emissions (PM 2.5). Environmental advocates continue the push to direct the Department of Environmental Quality (DEQ) to regulate off road equipment. HB 2814, which failed this session, resembled a 2019 environmental initiative to require the majority of commercial construction sites in Oregon to inventory site-specific off road equipment, mitigate associated emissions, and ultimately empower DEQ to become the permitting authority. Other defeated bills included an outright ban of diesel fuels and extensive taxing proposals to raise revenue for the funding of diesel equipment upgrade grants.

DEFEATED INDIRECT SOURCES - HB 2814

Background: In December 2019, a group of environmental activists filed a petition with the Environmental Quality Commission (EQC), seeking to set up an "indirect sources program" at DEQ. The program would have established a permitting process for commercial construction equipment operating at the majority of construction and business locations throughout Oregon. As introduced, HB 2814 directed DEQ to set up a similar indirect sources program and granting DEQ the authority to design the program. In tandem with Oregon Trucking Associations and Oregon Business & Industry, our opposition led to an amendment to only study the need for an indirect sources program. AGC and its allies argued against the need for a study with a predetermined outcome that likely would have served as a reason to automatically adopt an indirect sources program in the 2023 Legislative Session.

Result: This bill remained a threat until the final days of session when it died in the Ways and Means committee without a vote.

DEFEATED DIESEL BAN - HB 3305

Background: This bill was a mid-session surprise and would have outlawed the sale of petroleum diesel throughout the state with a phase out between 2024 and 2028.

Result: A large coalition including AGC, Oregon Trucking Associations, and Oregon Business & Industry activated against this bill and successfully stopped it from moving out of committee.

DEFEATED DIESEL TAXES - HB 2674

Background: HB 2674 evolved from an interim taskforce, as a result of HB 2007 from the 2019 Legislative Session. Despite the inability of the taskforce to agree to support any individual taxing mechanism, HB 2674 proposed a long list of potential funding sources, including:

- gas tax on red dye diesel
- 3% excise tax on tire sales
- 1.5% privilege tax for sale or lease of off-road equipment
- 1.5% use tax on off-road equipment bought outside Oregon
- 3.5% rental tax on off-road equipment
- 2% on all other qualified heavy equipment
- privilege tax on heavy and light duty vehicles

Result: AGC led the opposition along with the Oregon Farm Bureau and Oregon Trucking Associations and the bill died without a hearing.



Larry Gescher
AGC diesel champion since 2015



Rep. Jeff Reardon works from the gallery of the Oregon House of Representatives during the legislative session on Wednesday, June 23, 2021 at the Oregon State Capitol in Salem.
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WINS & LOSSES

EMPLOYER/EMPLOYEE RELATIONSHIP

Legislators and labor advocates brought forward a variety of bills that would have interfered with the employer/employee relationship, some that we defeated in past sessions, and some that were new. The construction industry was particularly targeted by a change to the 2015 paid sick leave law and a construction-specific independent contractor bill. The business community at large successfully tackled issues of increased employer liability, marijuana accommodation, and a sweeping independent contractor change.

PASSED PAID SICK LEAVE EXEMPTION REMOVAL - SB 588

Background: When Oregon passed its paid sick leave law in 2015, an exemption was included for employees whose terms and conditions of employment were covered by a CBA, are employed through a hiring hall, and whose employment related benefits are provided by a joint multi-employer-employee trust or benefit plan. SB 588, proposed by several construction labor groups, removed that exemption.

Result: AGC lobbied against the removal of the exemption given these decisions are best decided in bargaining and most workers in the construction industry already have benefits that surpass this requirement. Due to a strong labor push, AGC was unable to stop the exemption from being removed but was successful in pushing back the removal date to January 1, 2023 through an amendment.

DEFEATED PRIVATE ATTORNEY GENERALS ACT (PAGA) - HB 2205

Background: This bill was based on a law in California that would allow trial attorneys and employees to bring lawsuits for BOLI and DEQ violations, among others. HB 2205 was championed by the Oregon Trial Lawyers and modeled on a California law that has cost employers millions of dollars.

Result: AGC worked within a large business coalition to defeat the bill in its initial committee before the first deadline. However, given that California has passed this bill and it is a labor priority, we expect to see this bill in future sessions.

DEFEATED MARIJUANA ACCOMMODATION - HB 2974

Background: Similar to bills defeated in previous legislative sessions, HB 2974 would have prohibited employers from taking employment action against employees for off-duty use of marijuana. AGC strongly opposed this bill due to safety concerns regarding employees under the influence of marijuana while on a jobsite.

Result: AGC led the coalition against this bill and it died in committee.

DEFEATED INDEPENDENT CONTRACTOR - GENERAL - HB 2489

Background: In the past several legislative sessions, there has been a push to change Oregon's independent contractor laws to decrease the number of workers that can be considered independent contractors. HB 2489 would have changed the test for which workers are independent contractors and created a presumption that a worker is an employee. Even after passing the statutory test there would be a presumption that a worker is an employee, making it more difficult to be an independent contractor.

Result: AGC was part of a broad business coalition that successfully defeated this legislation. However, we expect there to be continued conversation about this concept in the interim.

DEFEATED INDEPENDENT CONTRACTOR - CONSTRUCTION SPECIFIC - HB 3081

Background: In addition to the general independent contractor bill that would have applied to all industries, HB 3081 would have targeted independent contractors in the construction industry. This bill would have meant that a licensed contractor cannot be considered an independent contractor if there is more than one other licensed contractor performing the same scope of work on the same project.

Result: AGC met with the bill's sponsor and he was clear the bill would not be moving forward but would convene conversations post-session.

BUSINESS TAXES

Despite all predictions, Oregon's tax revenues grew exponentially for the 2021-2023 biennium but failed to dampen legislators' desire to increase business taxes. Oregon's business community faced multiple legislative attempts to overturn federal legislation that treated (PPP) loans as nontaxable income. The small business income rates, originally passed in 2014, came under attack, and despite a united business community, led to a reduction and certain limitations on the ability for pass-through entities to participate.

PASSED CHANGES TO PASS-THROUGH - SB 139

Background: Changing the pass-through entity taxation rates has long been debated in past legislative sessions. This session, SB 139 was a bipartisan bill and made changes that include:

- reducing the tax rate from 7.2% to 7% for pass-through income from \$250,000 to \$500,000
- reducing the tax rate from 7.6% to 7.5% for pass-through income of \$500,000 to \$1M
- limiting reduced rate pass-through income qualification to S corporations and partnerships with ordinary business income not in excess of \$5M
- requiring S corporations and partnerships to meet either an employee to employer ratio, or a three year average limitation on distributions of income as a percentage of ordinary business income

Result: Led by Oregon Business & Industry and the National Federation of Independent Business, a united business community overwhelmingly opposed this bill. However, given the political make-up of the legislature, we were unable to keep the bill from passing.

"WE STILL START THIS BUDGET CYCLE WITH CLOSE TO \$3 BILLION IN OUR BANK ACCOUNT AND WE WILL ALSO HAVE CLOSE TO \$3 BILLION IN FEDERAL MONEY COMING INTO OUR STATE," RAYFIELD SAID. "IT'S TOUGH TO QUANTIFY IT."

IN MARCH, RAYFIELD, STEINER HAYWARD AND THE THIRD CO-CHAIR, DEMOCRATIC SEN. BETSY JOHNSON OF SCAPPOOSE, RELEASED A TENTATIVE HIGH-LEVEL PLAN TO SPEND APPROXIMATELY \$27 BILLION IN 2021-2023, UP FROM \$24 BILLION IN THE CURRENT BUDGET."

-The Oregonian, Oregon legislative budget writers zero in on mega budget, 6/9/21



Rep. Barbara Smith Warner, Rep. Christine Drazan and Rep. Duane Stark meet on the floor of the House of Representatives during the legislative session on Wednesday, June 23, 2021 at the Oregon State Capitol in Salem. © Abigail Dollins - USA TODAY NETWORK

WINS & LOSSES

[CLICK HERE TO VISIT OREGON'S LEGISLATIVE INFORMATION SYSTEM AND LEARN MORE ABOUT THE BILLS FEATURED IN THIS REPORT](#)

DEFEATED TAXING OF PPP LOANS - SB 137

Background: Multiple discussions occurred throughout the legislative session regarding the taxation of PPP loans and treating that revenue as taxable for Oregon purposes. Repeatedly, Oregon Business & Industry and National Federation of Independent Business argued against taxing federal COVID-19 related relief/funds distributed for the purposes of mitigating the economic impacts of the COVID-19 executive orders.

Result: AGC joined the broader business coalition in successfully preventing the taxation of PPP loans.

CAMPAIGN FINANCE

DEFEATED CAMPAIGN FINANCE LIMITS & REFORM - HB 2680

Background: The passage of Ballot Measure 107 in November 2020 gave the green light to amend Oregon's Constitution allowing campaign contribution limitations at all levels of government. HB 2680, as originally introduced, would have enacted limits for various entities when donating to campaigns. With a lack of agreement on campaign limitations, the proposal morphed into a public financing program. The concept would have allowed legislative candidates to receive a match of \$6 in public money for every \$1 in private donations. The proposals introduced would have given a distinct disadvantage to corporations/business interests in contrast with its impact to public unions.

Result: HB 2680 was defeated but the issue remains a hot topic likely to resurface in the 2022 Legislative Session.

"AS THE LEGISLATIVE SESSION PROGRESSED, IT WAS CLEAR TRANSPARENCY SUFFERED AS PUBLIC POLICY WAS RUSHED THROUGH BEHIND CLOSED DOORS. THIS HARMED COMMUNITIES, BUSINESSES AND FAMILIES."

AS THE OREGON ECONOMY RECOVERS, BUSINESSES REOPEN AND STUDENTS RETURN TO SCHOOL, WE MUST ENSURE THE POLICY MAKING PROCESS ALSO RETURNS TO NORMAL, WHICH MUST INCLUDE REOPENING CAPITOL TO THE VOICES OF OREGONIANS."

*-House Republican Leader, Christine Drazan
(R-Canby) 6/26/21*

REDISTRICTING

UPDATE REDISTRICTING/CENSUS UPDATE

Background: Every ten years, Oregon's legislators re-draw state House, state Senate, and federal congressional districts in what is known as redistricting. The COVID-19 pandemic impacted the delivery of U.S. Census population data, delaying it from March to August. Oregon's Supreme Court granted the legislature additional time, until the end of September, to complete the redistricting process.

Result: A Special Session in late September has been tentatively scheduled to consider a redistricting plan in the event the two chambers agree on a proposal. Otherwise, the task of redistricting will fall to Secretary of State Shemia Fagan later this fall.

OTHER KEY BILLS

DEFEATED DUTY TO DEFEND - SB 213

Background: This bill would have put the upfront duty to defend design professionals on other parties to the contract, including general contractors. The proponents of SB 213, architects and engineers, claimed they needed to fix an insurance issue, but the proposed solution ultimately shifted the liability.

Result: AGC worked diligently with OCAPA, National Association of Minority Contractors-Oregon, and the Oregon Trial Lawyers Association to defeat the bill. We expect a work group to be convened at a later date.

PASSED CONSTRUCTION VEHICLE SAFETY BILL - HB 2682

Background: HB 2682 was introduced as a regulatory program through OR-OSHA that would have created a significant burden for companies renting construction equipment. AGC worked with the Oregon American Federation of State, County and Municipal Employees and OCAPA on an amendment to significantly pare down the concept to a statutory directive aimed at rental companies and public contracting agencies as opposed to the individual construction company. The bill requires, upon request, a person renting to public contracting agencies to provide inspection records, instructions for operation and maintenance, records of injury and death specific to the rented vehicle, and a signed affidavit attesting compliance with safety standards and vehicle inspections.

Result: HB 2682 passed the House and Senate and is effective September 25, 2021.

DEFEATED GREENHOUSE GAS MATERIALS - HB 2688

Background: The proponents of this bill (Blue Green Alliance) are a unique coalition of construction labor and environmental interests. HB 2688 would have required an environmental products declaration from all material suppliers for the mix designs for a ODOT project bids.

Result: OCAPA led the construction industry coalition that defeated this bill.

PASSED 100% CLEAN ENERGY - HB 2021

Background: HB 2021 was the environmental community's top priority and will require Oregon's electrical grid to operate with 100 percent clean energy by 2040. AGC actively opposed the construction labor standards that require contractors to pay prevailing wage rates, deliver 15 percent apprenticeship utilization (large scale projects), and to establish an outreach plan for recruitment and retention of women, minority individuals, veterans, and people with disabilities.

Result: This bill passed on the final day of session. AGC argued unsuccessfully against the inclusion of labor standards for private energy projects. We were successful in limiting these labor requirements to projects 10 megawatts or greater in the version of HB 2021 that passed.

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