

EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Ratification of Intergovernmental Relations Committee Minutes of February 1, 2012 and February 8, 2012

Meeting Date: February 27, 2012
Department: City Manager's Office
www.eugene-or.gov

Agenda Item Number: 2C
Staff Contact: Brenda Wilson
Contact Telephone Number: 541-682-8441

ISSUE STATEMENT

This is an action item to ratify the recommendations of the Intergovernmental Relations (IGR) Committee meetings of February 1, 2012, and February 8, 2012.

BACKGROUND

As a matter of procedure, the City Council is routinely asked to ratify the actions taken by the Intergovernmental Relations (IGR) Committee. This is done by submitting the minutes of each committee meeting to the council. At the February 13, 2012, full City Council Meeting, the February 1, 2012 Minutes were on the consent calendar for approval. A motion was not made to ratify these minutes; therefore, they are being re-submitted to the full City Council for ratification.

RELATED CITY POLICIES

Ratification of IGR Committee actions is the making or affirming of the City of Eugene's policy with respect to Federal and State legislative issues or such other matters as may come to the council from the committee.

COUNCIL OPTIONS

The council may ratify or decline to ratify the IGR Committee's actions as set forth in the minutes of the committee's meetings.

CITY MANAGER'S RECOMMENDATION

The City Manager recommends ratification of the IGR Committee's actions as set forth in the minutes of the committee's meetings.

SUGGESTED MOTION

Move to ratify the IGR Committee's actions as set forth in the minutes of the February 1, 2012, and February 8, 2012, IGR meetings.

ATTACHMENTS

- A. IGR Committee Minutes of February 1, 2012
- B. IGR Bill Report of February 1, 2012
- C. IGR Committee Minutes of February 8, 2012
- D. IGR Bill Report of February 8, 2012

FOR MORE INFORMATION

Staff Contact: Brenda Wilson
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Staff E-Mail: brenda.s.wilson@ci.eugene.or.us

MINUTES

Eugene Council Committee on Intergovernmental Relations
McNutt Room—Eugene City Hall
777 Pearl Street—Eugene, Oregon

February 1, 2012
1 p.m.

PRESENT: Betty Taylor, George Poling, members; Intergovernmental Relations Director Brenda Wilson, Jessica Mumme, City Manager's Office; Chuck Tilby, Eugene Police Department; Eric Jones, Public Works Department; Denny Braud, Planning and Development Department.

ABSENT: Mike Clark, member; Mayor Kitty Piercy.

1. Call to Order and Review Agenda

Mr. Poling called the meeting of the Council Committee on Intergovernmental Relations (CCIGR) to order. Ms. Wilson joined the meeting from Salem via Skype. She emphasized the fact the session was very short and the City had limited time to provide input to the State Legislature. Because the session was so short, she recommended the committee postpone election of a new chair.

2. Review Pending Legislation

The committee reviewed a list of bills pulled off the IGR Bill report (attached) by committee members for further discussion. Committee votes, if any, are recorded below. Bills are underlined where a councilor moved to change the staff's recommendation and no second was made.

House Bill 4020 (pulled by Poling)

Mr. Poling, seconded by Ms. Taylor, moved to change the City's position on House Bill 4020 from Support to Monitor. The motion passed unanimously, 2:0.

House Bill 4040 (pulled by Poling)—No change

Senate Bill 4011 (pulled by Taylor)—No change

Senate Bill 4017 (pulled by Taylor) – No change

Ms. Taylor moved to change the City's position on House Bill 4017 to Neutral. The motion died for lack of a second.

Ms. Taylor, seconded by Mr. Poling, moved to adopt the staff recommendation for priorities and recommendations for all bills that were not pulled for discussion at this meeting and the committee action for all bills that were discussed and acted on at this meeting. The motion passed unanimously, 2:0.

3. Items from Members and Staff

Future committee meetings were scheduled for February 8 and February 15.

Mr. Poling adjourned the meeting at 1:33 p.m.

(Recorded by Kimberly Young)

IGR BILL REPORT
 FEBRUARY 1, 2012 / IGR COMMITTEE MEETING
 CITY OF EUGENE

HB 4011

Relating Clause: Relating to proof of treatment for substance abuse; creating new provisions; amending ORS 807.060; and declaring an emergency.

Title: Requires person convicted of driving while under influence of intoxicants to submit proof that person completed required treatment program before reinstatement of driving privileges. Authorizes Department of Transportation to provide exceptions for good cause. Sunsets January 2, 2014. Declares emergency, effective on passage.

Sponsored by: Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Health Care)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4011.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/25/2012	Pri 3	Support

Comments: This bill establishes a requirement to report successful completion of treatment for substance abuse to the DMV when the subject has been formally sent to treatment because of a DUII.

This plugs a loophole in the system that did not compel someone to adequately report their treatment. Without them submitting proof, there is no legal way to determine compliance with a court order for treatment.

HB 4017

Relating Clause: Relating to ignition interlock devices; creating new provisions; and amending ORS 813.602.

Title: Requires certain persons to install ignition interlock device for five years after person's driving privileges are restored following suspension or revocation of driving privileges.

Sponsored by: Sponsored by Representatives G SMITH, HUNT; Representatives BARKER, ESQUIVEL, HICKS, THATCHER, WHISNANY, Senators HASS, MONROE, VERGER (at the request of Mothers Against Drunk Driving (MADD))(Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4017.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/25/2012	Pri 3	Support

Comments: This bill requires people convicted of DUII along with Homicide, Manslaughter and assault to install and use an ignition interlock device for 5 years.

This the latest iteration of attempts to prevent repetitive DUII behavior as condition of being convicted of serious drunk driving related crimes. Other attempts have met with resistance because of the impact on relatives of the convicted person. This appears to have a reasonable impact on them while sanctioning the convict and preventing them from driving a vehicle without such a device. Very important for the overall safety of the public.

HB 4020

Relating Clause: Relating to lottery bonds; amending section 20, chapter 624. Oregon Laws 2011; and declaring an emergency.

Title: Increases amount of lottery bonds issued to finance grants and loans for transportation projects for biennium beginning July 1, 2011. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representative SCHAUFLER (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4020.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Eric Jones		PW-ADM	1/26/2012	Pri 2	Support

Comments: I don't see a downside to supporting increased bonding authority for transportation projects, except to recognize that, all things being equal, it may mean a little less money for some other lottery-eligible purpose.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Rob Inerfeld		PWE	1/26/2012	Pri 2	Support

Comments: This bill would increase the funding for Connect Oregon in the current biennium from \$40 million to \$50 million. The city has applied for a \$500,000 Connect Oregon grant to repave the South Ramp at the Eugene Airport; if this bill passes it could increase the city's change of receiving the grant.

HB 4040

Relating Clause: Relating to investment for economic development; creating new provisions; amending ORS 192.502, 284.701, 284.706, 293.731, 293.733, 293.761 and 293.796; repealing ORS 348.701, 348.702, 348.703, 348.704, 348.706, 348.707 and 348.710 and section 7, chapter 805, Oregon Laws 2009; appropriating money; and declaring an emergency.

Title: Establishes Oregon Growth Fund and Oregon Growth Board to encourage investment in and availability of capital to Oregon businesses and to further economic development in Oregon. Abolishes Oregon Growth Account and Oregon Growth Account Board on June 30, 2013. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representatives READ, BERGER, Senators DEVLIN, TELFER; Representatives BARNHART, BENTZ, BREWER, BUCKLEY, CONGER, DEMBROW, DOHERTY, FREDERICK, GELSER, HARKER, HOLVEY, HOYLE, HUFFMAN, HUNT, KENNEMER, KENY-GUYER, KOMP, KOTEK, MATTHEWS, NATHANSON, ROBLAN, J SMITH, WEIDNER, WHISNANT, WITT, Senators BATES, BEYER, HASS, JOHNSON, MORSE, NELSON, PROZANSKI, ROSENBAUM, STEINER HAYWARD (Presession filed.)

URL: <http://www.leg.state.or.us/l2reg/measpdf/hb4000.dir/hb4040.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
A. Nobel-Flannery	Denny Braud	PDD-ADM	1/26/2012	Pri 3	Support

Comments: A newly established state-wide Oregon Growth Fund would create additional loan, grant and equity investment resources for business formation and expansion. This fund could provide access to financing for local companies, and help advance the Regional Prosperity Economic Development Plan. The City of Eugene would not have any financial participation in the Growth Fund.

HB 4084

Relating Clause: Relating to vulnerable persons; creating new provisions; amending ORS 124.085, 124.090, 131.125, 137.225, 163.165, 181.534, 181.537, 411.990, 441.671 and 443.004; and declaring an emergency.

Title: Creates crime of assault in third degree for intentionally or knowingly causing physical injury to elderly person. Punishes by maximum of five years' imprisonment, \$125,000 fine, or both. Provides that prosecution of certain felonies committed against person 65 years of age or older may be commenced within six years. Prohibits entry of order setting aside conviction for criminal mistreatment in first or second degree when victim was person 65 years of age or older. Requires health care provider to permit inspection and copying of protected health information of person who is alleged victim in abuse investigation. Requires financial institution, upon receipt of certification, to disclose and provide copies of financial records of person who is alleged victim in abuse investigation. Permits Department of Human Services to make names of witnesses and vulnerable persons, and records and reports compiled in abuse investigations, available to certain entities. Creates Resident Safety Review Council. Sunsets council on June 30, 2013. Permits person convicted of certain crimes more than five years before employment to receive public funds in employment where person has contact with vulnerable person. Clarifies that person whose employment cannot be supported by public funds is not entitled to determination of fitness or right of appeal of determination of unfitness. Directs Department of Human Services to establish statewide call system for reporting abuse of elderly person. Requires Department of Human Services to develop and implement training for persons investigating abuse and providing care to persons 65 years of age or older. Directs Department of Human Services to apply for federal grant under Patient Protection and Affordable Care Act. Recreates Oregon Elder Abuse Work Group. Sunsets work group on June 30, 2013. Declares emergency, effective on passage.

Sponsored by: Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Human Services)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4084.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: All of these provisions (and there are many) are good steps to protecting elderly victims of crimes. All too often, the people are victimized by those that are charged with their care and perpetrators hide behind that relationship, and care providers/banks are stuck behind confidentiality regulations where the perpetrator is in control based upon legal authority transferred to them. Elder abuse is a significant issue in our community and these tools will help protect this vulnerable population.

HB 4085

Relating Clause: Relating to vulnerable persons; creating new provisions; amending ORS 124.085, 124.090, 131.125, 137.225, 163.165, 181.534, 181.537, 411.990, 441.671 and 443.004; and declaring an emergency.

Title: Creates crime of assault in third degree for intentionally or knowingly causing physical injury to elderly person. Punishes by maximum of five years' imprisonment, \$125,000 fine, or both. Provides that prosecution of certain felonies committed against person 65 years of age or older may be commenced within six years. Prohibits entry of order setting aside conviction for criminal mistreatment in first or second degree when victim was person 65 years of age or older. Requires health care provider to permit inspection and copying of protected health information of person who is alleged victim in abuse investigation. Requires financial institution, upon receipt of certification, to disclose and provide copies of financial records of person who is alleged victim in abuse investigation. Permits Department of Human Services to make names of witnesses and vulnerable persons, and records and reports compiled in abuse investigations, available to certain entities. Creates Resident Safety Review Council. Sunsets council on June 30, 2013. Permits person convicted of certain crimes more than five years before employment to receive public funds in employment where person has contact with vulnerable person. Clarifies that person whose employment cannot be supported by public funds is not entitled to determination of fitness or right of appeal of determination of unfitness. Directs Department of Human Services to apply for federal grant under Patient Protection and Affordable Care Act. Declares emergency, effective on passage.

Sponsored by: Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Human Services)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4085.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/27/2012	Pri 2	Support

Comments: Identical to HB4084 except for requirement that DHS provide training and creating Elder Abuse Work Group. All of these provisions (and there are many) are good steps to

protecting elderly victims of crimes. All too often, the people are victimized by those that are charged with their care and perpetrators hide behind that relationship, and care providers/banks are stuck behind confidentiality regulations where the perpetrator is in control based upon legal authority transferred to them. Elder abuse is a significant issue in our community and these tools will help protect this vulnerable population.

HB 4100

Relating Clause: Relating to crimes committed against minors; creating new provisions; amending ORS 131.125 and 411.990; and declaring an emergency.

Title: Eliminates statute of limitations for certain crimes committed against minors. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representative HUNT; Representatives BARKER, BUCKLEY, COWAN, DOHERTY, FREDERICK, GELSER, KENNEMER, LINDSAY, MATTHEWS, THOMPSON, WEIDNER, WHISNANT (at the request of Oregon Abuse Advocates and Survivors in Service, Crime Victims United) (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4100.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: This bill eliminates a statute of limitations for serious crimes committed against children, and raises the statute in some less serious offenses. Anything that lengthens the statute of limitations is a good move, but especially when discovery of the crime is often based upon recollections that are realized later in life.

HB 4108

Relating Clause: Relating to precious material secondhand dealing.

Title: Establishes precious material secondhand dealer record keeping requirements regarding transactions involving items of precious material. Requires seven-day holding period for items of precious material acquired by precious material secondhand dealers. Provides that Act does not apply in cities and counties with more stringent regulation of precious material secondhand dealers. Establishes penalties for failure to comply with record keeping and holding period requirements.

Sponsored by: Sponsored by Representative NATHANSON (Pre-session filed)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4108.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: Establishes precious material secondhand dealer record keeping requirements regarding transactions involving items of precious material. Requires seven-day holding period for items of precious material acquired by precious material secondhand dealers. Although, this bill is limited in the items that it regulates and doesn't address the need for a uniform repository of the data collected or an automated reporting system that would allow law enforcement the ability to easily access transaction data, this bill is a great start that will assist law enforcement in their quest to locate and recover stolen property and identify individuals involved in the theft and sale of stolen property.

HB 4148

Relating Clause: Relating to studded tires.

Title: Imposes fee on retail sale of studded tires and on installation of studs in tires. Provides exception. Becomes operative May 1, 2013.

Sponsored by: Sponsored by Representative WITT; Representatives DEMBROW, HARKER, TOMEI (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4148.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Eric Jones		PW-ADM	1/26/2012	Pri 3	Support

Comments: The collection mechanism (a tax at point of sale) and distribution of revenue (50-30-20 to the SHTF) is reasonable. I would recommend a higher priority, but this is a perennial push that never seems to gain enough traction to become law.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Rob Inerfeld		PWE	1/26/2012	Pri 3	Support

Comments: I agree with Eric Jones' comments.

HB 4156

Relating Clause: Relating to protective orders for victims of sexual assault; creating new provisions; amending ORS 21.245, 36.185, 40.210, 107.835, 133.310 and 133.381; and declaring an emergency.

Title: Authorizes issuance of restraining order for certain persons who are subjected to nonconsensual sexual contact. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representatives GELSER, BARKER, BREWER; Representatives BERGER, KOMP, SCHAUFLER, TOMEI, Senators BURDICK, MONNES ANDERSON, MORSE, ROSENBAUM, TELFER (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4156.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: Authorizes issuance of restraining order for certain persons who are subjected to nonconsensual sexual contact. Good improvement of law in favor of immediate protection of victims. Especially critical in these cases involving power differential in relationships.

HCR 0204

Relating Clause: Commemorates victory by University of Oregon's football program in 2012 Rose Bowl.

Title: Commemorates victory by University of Oregon's football program in 2012 Rose Bowl.

Sponsored by: Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at request of the House Interim Committee on Rules)

URL: <http://www.leg.state.or.us/12reg/measpdf/hcr200.dir/hcr0204.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Brenda Wilson		CMO-IGR	1/26/2012	Pri 3	Support

Comments: This bill congratulates the UO football team. While it does not have a direct impact on the city – I think it is in line with the recent Council resolution and shows our support to an important community partner. I can draft a letter and provide it to the committee.

SB 1534

Relating Clause: Relating to the solicitation of criminal activity; creating new provisions; amending ORS 131.125, 131.215, 131.315, 131.558, 131.602, 131A.005, 131A.020, 135.737, 137.712, 147.433, 161.475, 161.485, 167.164, 419A.260, 419B.340, 419B.502, 421.121 and 443.004; and prescribing an effective date.

Title: Creates crime of aggravated solicitation applicable to use of electronic communication to solicit two or more persons to commit specific crime at specific time and location. Takes effect on 91st day following adjournment sine die.

Sponsored by: Sponsored by Senator WHITSETT; Senators ATKINSON, FERRIOLI, GEORGE, JOHNSON, KRUSE, MORSE, OLSEN, STARR, TELFER, VERGER, WINTERS (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1534.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: This bill makes it a crime to electronically recruit someone to commit a specific crime, with specific time and location. This is a recognition that such a communication, when specific, is a substantial step toward the commission of a crime, therefore, there is a legal "attempt" at the very least. This requires a "specific time and at a specific location." While this is ok, I think it loses some impact by requiring both time and location. Would be better if it said something like, '...specific time and/or location...' Electronic recruitment is common in youthful or gang related crimes and this is an important improvement of the law.

SB 1535

Relating Clause: Relating to use of master form instruments; creating new provisions; amending ORS 93.780, 93.790, 93.800 and 93.802; and declaring an emergency.

Title: Authorizes affordable housing covenants contained in recorded master form instrument to be incorporated by reference in short form instrument recorded for real property transaction. Declares emergency, effective on passage.

Sponsored by: Sponsored by Senator DINGFELDER; Senators MONNES ANDERSON, STEINER HAYWARD (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1535.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
A. Nobel Flannery	Stephanie Jennings	PDD-ADM	1/26/2012	Pri 3	Support

Comments: This bill would provide an alternative way to record documents for affordable housing transactions.

SB 1553

Relating Clause: Relating to procedure for adoption of administrative rules; and declaring an emergency.

Title: Prohibits agencies from adopting rules during regular session of Legislative Assembly. Prohibits agencies from adopting rules that become effective before adjournment sine die of next regular legislative session. Specifies exceptions. Declares emergency, effective on passage.

Sponsored by: Sponsored by Senator BEYER (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1553.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Brenda Wilson		CMO-IGR	1/26/2012	Pri 2	Oppose

Comments: Similar to SB 1571. This bill would prohibit the OLCC from amending their administrative rule to allow cities with populations under 300,000 from establishing an Alcohol Impact Area. That was a priority bill for us last session and when the bill did not

pass, I made a deal with the OLCC to do this through administrative rulemaking. Additionally, we often rely on the rulemaking process to clarify legislation and can have a bigger impact on process as well as policy.

SB 1557

Relating Clause: Relating to unlawful consumption of controlled substances; and declaring an emergency.

Title: Makes consumption of controlled substance by person under 21 years of age unlawful. Punishes by maximum fine of \$1,000 or \$2,000 if violation committed while operating motor vehicle. Declares emergency, effective on passage.

Sponsored by: Sponsored by Senator TELFER (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1557.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Chuck Tilby		EPD-ADM	1/26/2012	Pri 2	Support

Comments: Equates the consumption of a controlled substance with consumption of alcohol for minors (under 21). This is especially useful when dealing with minors who have consumed drugs, but are not currently in possession. It is not the prosecution that is important, but the intervention.

SB 1559

Relating Clause: Relating to 9-1-1 emergency communications; creating new provisions; amending ORS 403.105 and 403.135; and declaring an emergency.

Title: Establishes requirements for 9-1-1 telephone calls placed from multiline telephone system. Declares emergency, effective on passage.

Sponsored by: Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Veterans and Military Affairs for Senator Alan Olsen)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1559.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Kristi J. Wilde		EPD-911	1/27/2012	Pri 2	Support

Comments: This bill essentially mandates that multiline telephone systems (MLTS) installed at least 12 months after the effective date of passage shall provide specific automatic location identification to the 9-1-1 Center of jurisdiction. This includes sufficient identifying information to assist in locating the caller, including a call back number. Exceptions are made for particular circumstances (eg size of building). This type of identifying technology is strictly voluntary today. We have seen the importance of making this

change when it comes to phone calls from schools within a school district and dorms at the UO. Other businesses choose not to make the change as there is additional cost involved. For those who currently do not comply, it is not unusual for a PBX system to display the same administrative office number and address in a different city for each of its branches (eg banks, mills). In an emergency event like a mill fire or bank robbery, it can be difficult for the 9-1-1 caller to recall their actual street address.

SB 1571

Relating Clause: Relating to administrative rules; and declaring an emergency.

Title: Prohibits agencies from adopting any rule that becomes effective on or after effective date of Act and before July 1, 2013. Specifies exceptions. Creates Joint Legislative Committee on Rule Review. Directs committee to review all rules adopted by agencies. Requires report on rules reviewed. Allows committee to introduce legislation addressing subject matter of rules reviewed by committee. Requires committee to review all rules in effect on effective date of Act before February 1, 2013 and prepare report reflecting committee's determinations. Declares emergency, effective on passage.

Sponsored by: Sponsored by Senator WINTERS; Senators ATKINSON, BOQUIST, FERRIOLI, GEORGE, GIROD, KRUSE, MORSE, OLSEN, STARR, TELFER (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/sb1500.dir/sb1571.intro.pdf>

<u>Contact</u> Brenda Wilson	<u>Respondent</u>	<u>Dept</u> CMO-IGR	<u>Updated</u> 1/26/2012	<u>Priority</u> Pri 2	<u>Recommendation</u> Oppose
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Comments: This bill is similar to SB 1553. This bill would prohibit the OLCC from amending their administrative rule in a timely manner to allow cities with populations under 300,000 from establishing an Alcohol Impact Area. That was a priority bill for us last session and when the bill did not pass, I made a deal with the OLCC to do this through administrative rulemaking. Additionally, we often rely on the rulemaking process to clarify legislation and can have a bigger impact on process as well as policy.

SCR 0201

Relating Clause: Recognizes and honors Eugene Police Officer Chris Kilcullen for his service to this state.

Title: Recognizes and honors Eugene Police Officer Chris Kilcullen for his service to this state.

Sponsored by: Sponsored by Senator BEYER; Senators EDWARDS, PROZANSKI, VERGER, Representatives BARNHART, BEYER, COWAN, HANNA, HOLVEY, HOYLE, NATHANSON, ROBLAN (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/scr200.dir/scr0201.intro.pdf>

<u>Contact</u> Brenda Wilson	<u>Respondent</u>	<u>Dept</u> CMO-IGR	<u>Updated</u> 1/26/2012	<u>Priority</u> Pri 2	<u>Recommendation</u> Support
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Comments:

Concurrent Resolutions are often introduced to honor public safety officers who have died while on duty. Last session, our local delegation focused on a bill to have the hwy renamed in Office Kilcullen's honor. This bill recognizes and honors Officer Kilcullen for his service and is co-sponsored by all Lane County Legislators.

MINUTES

Eugene Council Committee on Intergovernmental Relations
McNutt Room—Eugene City Hall
777 Pearl Street—Eugene, Oregon

February 8, 2012
1:30 p.m.

PRESENT: Betty Taylor, George Poling, members; Mayor Kitty Piercy; Intergovernmental Relations Director Brenda Wilson, Jessica Mumme, City Manager's Office; Mike Penwell, Facilities Management; Pat Farr, Alan Zelenka, guests.

ABSENT: Mike Clark, member.

1. Call to Order and Review Agenda

Mr. Poling called the meeting of the Council Committee on Intergovernmental Relations (CCIGR) to order. Ms. Wilson joined the meeting from Salem via Skype.

Ms. Wilson noted that some of the bills on the list of bills pulled by committee members were dead.

2. Approval of Minutes

Ms. Taylor, seconded by Mr. Poling, move to approve the February 1, 2012, minutes as submitted. The motion passed unanimously, 2:0.

3. Review Pending Legislation

The committee reviewed a list of bills pulled from pending legislation by committee members for further discussion. Committee votes, if any, are recorded below:

House Bill 4057 (pulled by Taylor)

Ms. Wilson indicated the bill was dead and would be “gut and stuffed” with another bill the City was monitoring because it was not anticipated to have an impact on City operations. The committee took no action on the bill.

House Bill 4090 (pulled by Poling)—no change

House Bill 4130 (pulled by Taylor)

Ms. Wilson indicated the bill was dead. The committee took no action on the bill.

House Bill 4144 (pulled by Taylor)

Ms. Taylor, seconded by Mr. Poling, moved to change the City's position on House Bill 4144 to Monitor. The motion passed unanimously, 2:0.

Ms. Taylor, seconded by Mr. Poling, moved to adopt the staff recommendation for priorities and recommendations for all bills that were not pulled for discussion at this meeting and the committee action for all bills that were discussed and acted on at this meeting. The motion passed unanimously, 2:0.

4. Grant Application

Committee members were provided with copies of an informational memorandum entitled *Grant Opportunity—Gray Family Fund of the Oregon Community Foundation Environmental Education Program*.

5. Items from Members and Staff

Ms. Wilson reported that she was flagging the bills for which a motion to change a City position was made but not seconded by underlining the bill in the committee's minutes and attaching a copy of the bill report to the minutes for the benefit of the council. The committee indicated concurrence with the process outlined by Ms. Wilson.

Mayor Piercy reported that a letter of support for the proposed Junction City hospital would be circulated at that evening's Lane Area Commission on Transportation meeting and those present would be asked to sign the letter. She asked Ms. Wilson to confirm the City's support for the projects in question. Ms. Wilson confirmed that the City had taken a position in support of both Junction City projects and the letter was in line with that position. Mayor Piercy said she would sign the letter on behalf of Eugene. She asked Ms. Wilson to keep abreast of the issue and let the council know if she believed the subject should be revisited.

The next committee meeting was scheduled for February 15. Ms. Wilson anticipated she would schedule a committee meeting to review the City's federal priorities.

Mr. Poling adjourned the meeting at 1:50 p.m.

(Recorded by Kimberly Young)

IGR BILL REPORT
 FEBRUARY 8, 2012 / IGR COMMITTEE MEETING
 CITY OF EUGENE

HB 4066

Relating Clause: Relating to taxation of centrally assessed property; creating new provisions; amending ORS 308.505; and prescribing an effective date.

Title: For purposes of central assessment, excludes from definition of “communication” data transmission services provided through contractual arrangement with person that transmits data through tangible property owned or controlled by that person. Takes effect on 91st day following adjournment sine die.

Sponsored by: Sponsored by Representative GILLIAM; Representatives BENTZ, BREWER, HARKER, LINDSAY, READ, Senators HASS, MORSE, STARR (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4066.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Larry Hill		CS-FIN	1/31/2012	Pri 1	Oppose

Comments: HB 4066 could have a significant negative financial impact on the City of Eugene. It would exclude "data communication services provided through a contractual arrangement" with the owner of the data transmission facilities from the definition of centrally assessed property for the purpose of property taxation. The legislation does not define "data transmission services" or "contractual arrangement". Worse, it is retroactive back to July 1, 2009. Any property taxes that have been collected since then on any data communication services provided under contract, whatever those are determined to be, would have to be refunded and such services could not be taxed in the future. This would potentially impose an unfair retroactive liability on local governments. I am unable to estimate the potential financial impact to the City of Eugene because I do not know the past or future taxable values of the bill's undefined "communication services". However, I agree with Pam Berrian that this bill would impose an unfunded liability and move local governments onto a slippery slope we want to avoid at all costs. The City should oppose the bill, and should support an interim study group is that is necessary, in lieu of HB 4066 and any similar bills. If HB 4066 appears likely to move, at the very least amendments are needed to eliminate the retroactive feature.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Pam Berrian		CS-ISD	1/29/2012	--	Oppose

Comments: I have added Twylla Miller & Larry Hill as additional reviewers to discuss the tax treatment implications from a financial or municipal authority perspective.

I found the provisions of the bill vague and overly broad, whether intended or not. I believe that the 2012 30-day session is not appropriate for this kind of structural change. This bill seems to promote a slippery slope, especially in the current quickly converging telecommunications landscape - that is cause for concern. For example, what is or is not

'data transmissions' is not known here, and potentially the technological world is moving towards a data world - does that then mean that as video TV moved to IPTV, that business will qualify for this treatment?

And what sort of 'contractual agreements' does this bill refer to? They are not defined or described

I suggest that staff review LOC, AOC, and OMFOA positions, however, I oppose this proposal - and defer to internal Finance staff for a Priority recommendation. It may seem more appropriate to, if necessary, agree to a task force on the matter >>> if it included city and county muni reps. Thank you -

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Twylla Miller		CS-FIN	1/31/2012	Pri 1	Oppose

Comments: I concur with Larry and Pam's comments.

HB 4067

Relating Clause: Relating to exclusion from central assessment for data centers located in enterprise zones; creating new provisions; amending ORS 308.515; and prescribing an effective date.

Title: Excludes company owning or leasing data center in enterprise zone from central assessment during period of enterprise zone exemption. Extends exclusion from central assessment after expiration of exemption if company continues to comply with certain provisions of enterprise zone agreement. Takes effect on 91st day following adjournment sine die.

Sponsored by: Sponsored by Representative MCLANE; Representatives BAILEY, BARNHART, BERGER, BREWER, BUCKLEY, CAMERON, CONGER, DOHERTY, ESQUIVEL, FREEMAN, GARRETT, GELSER, GILLIAM, HANNA, HOYLE, HUFFMAN, HUNT, JOHNSON, KENNEMER, KOMP, KOTEK, KRIEGER, MATTHEWS, OLSON, PARRISH, READ, ROBLAN, SCHAUFLE, SHEEHAN, SPRENGER, THATCHER, WAND, WHISNANT, WINGARD, WITT, Senators ATKINSON, BEYER, DEVLIN, EDWARDS, FERRIOLI, GIROD, HASS, JOHNSON, MONNES ANDERSON, MORSE, TELFER, WHITSETT, WINTERS (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4067.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Larry Hill		CS-FIN	1/30/2012	Pri 3	Support

Comments: I concur with Denny Braud's analysis and recommendation.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
A. Nobel Flannery	Denny Braud	PDD-ADM	1/26/2012	Pri 3	Support

Comments: For enterprise zone tax exemption purposes, allows data centers to be assessed locally (rather than centrally assessed by the state). The result would allow intangible property value to be included in the enterprise zone tax exemption. The change could stimulate

additional investments within enterprise zones, resulting in job creation and new, long-term taxable value.

HB 4074

Relating Clause: Relating to health promotion; creating new provisions; and amending ORS 743.824.

Title: Permits insurers, multiple employer welfare arrangements, health care service contractors and self-insured employee health benefit plans to offer health benefit plan that pays cash dividends to enrollee who participates in wellness program. Permits employer to pay additional cash dividends to participating employees. Defines “wellness program.” Creates subtraction from federal taxable income for cash dividends of \$1,000 or less that are paid for participation in wellness program.

Sponsored by: Sponsored by Representative OLSON; Senator OLSEN (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4074.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Myrnie Daut		CS-RS	1/30/2012	Pri 3	Support

Comments: Allows health plans and self-insured employers like the City of Eugene to offer cash rewards for participation in wellness program and offers tax deduction.

HB 4090

Relating Clause: Relating to urban services; creating new provisions; amending ORS 195.060, 195.065 and 221.034; and declaring an emergency.

Title: Authorizes owner of real property that is located within urban growth boundary and, due to certain impediments, not provided with sanitary sewer or water services to cause public or private provider of sanitary sewer and water services to connect service facilities and serve property if owner pays all costs to connect and deliver service. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representative SHEEHAN, WAND (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4000.dir/hb4090.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Jerry Lidz		CS-CMO-ATTY	1/31/2012	Pri 3	Oppose

Comments: I agree with Steve Nystrom’s comments and recommendation.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Steve Nystrom		PDD-ADM	1/27/2012	Pri 3	Oppose

Comments: As written, it is difficult to determine the practical impact in Eugene. However, the intent of the bill appears to be in conflict with the City's adopted ordinance regarding extraterritorial extensions. This bill would enable the extension of services (presumably not from the city) to unincorporated properties inside a UGB under circumstances inconsistent with Eugene's local codes.

HB 4107

Relating Clause: Relating to recruitment of business; and prescribing an effective date.

Title: Requires Department of Revenue to distribute 50 percent of business income taxes attributable to new business or expanded business to local jurisdiction that recruited new business or expanded business. Requires Oregon Business Development Commission to create registry to certify local jurisdiction as recruiting jurisdiction. Takes effect on 91st day following adjournment sine die.

Sponsored by: Sponsored by Representatives PARRISH, WINGARD, Senator DEVLIN; Representatives BREWER, FREDERICK, GILLIAM, MATTHEWS, SCHAUFLEER, SHEEHAN, WAND, WEIDNER, WITT, Senator OLSEN (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4107.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Larry Hill		CS-FIN	1/31/2012	Pri 2	Oppose

Comments: HB 4107 is not a very good idea. The terms used in the bill are ambiguous and the administrative process would be complex. The process proposed in the bill would reward some cities that successfully gain new investment from outside their boundaries with increased state revenue sharing, but would not reward cities with growth by already-established businesses within their boundaries. Cities with substantial available industrial land would have an advantage over other cities. The state revenue diverted to "winner" cities would result in weaker statewide services which benefit all cities.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
A. Nobel Flannery	Denny Braud	PDD-ADM	1/26/2012	Pri 2	Oppose

Comments: The redirecting of business income taxes to jurisdictions that successfully recruit new business investment could disadvantage communities that do not have industrial land resources necessary to attract large investments, including Eugene. This proposal has the potential to divert funds that are currently used state-wide in support of critical services such as education and social services.

HB 4130

Relating Clause: Relating to public contracting; creating new provisions; amending ORS 184.483, 279B.205, 279B.420, 279C.307 and 351.086; and declaring an emergency.

Title: Provides that employee who separates from contracting agency, under specified conditions and for period of one year, may not seek or gain employment with contractor with which contracting agency entered into public contract. Prohibits contracting agency from awarding public contract to bidder or proposer that will perform services at or from location outside United States. Requires contracting agency to include statement of prohibition in all invitations to bid, requests for proposals and contracts. Requires bidder or proposer to certify that bidder or proposer will perform services within United States. Prohibits contracting agency, under specified conditions, from accepting bid or proposal from bidder or proposer that advised or assisted contracting agency concerning solicitation documents or materials related to public contract. Requires bidder or proposer to make certain disclosures to federal or state agencies for purposes of equivalent price, rate and total cost of goods or services. Permits employee, group of employees or labor organization that represents employees of contracting agency to seek judicial review under certain conditions for alleged violation of requirements for goods and services procurements. Requires state agencies and education service districts to make certain additional information concerning public contracts available on Oregon transparency website. Requires Oregon University System to make solicitation documents for public contracts available on same electronic system Oregon Department of Administrative Services uses. Becomes operative January 1, 2013. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representative KOTEK; Representatives BAILEY, BARNHART, BUCKLEY, DEMBROW, DOHERTY, FREDERICK, HOLVEY, HOYLE, KOMP, MATTHEWS, NATHANSON, READ, WITT (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4130.intro.pdf>

<u>Contact</u> Jamie Garner	<u>Respondent</u>	<u>Dept</u> CS-FIN	<u>Updated</u> 1/27/2012	<u>Priority</u> Pri 3	<u>Recommendation</u> Oppose
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Comments: This bill straddles multiple, largely unrelated, issues in public contracting and it seems that it would be more acceptable if it were to be broken up.

The first change surrounds a public employee's employment after separating from a contracting agency. This issue is already detailed elsewhere in ORS (244) though the existing provision is more specific on the positions that restrictions apply to. Additionally the Oregon Government Ethics Commission has issued Staff and Advisory opinions on this ("Post employment restrictions" category) as each circumstance has different ethical considerations. This seems unnecessarily restrictive as written because there are numerous people in the organization that work "...in a field closely related to the public contract..." but have absolutely no decision-making authority when selecting the vendor for award. Priority 3 oppose here because I don't know that this would have significant negative impact on the City other than dissatisfied employees that might stay on with the City because their employment options are limited due to the nature of their work.

Next provision is requiring a contractor to hire a displaced public employee if the contractor's work causes the separation. I can see this increasing contract amounts significantly due to the requirement that the contractor extend "...employment terms that are similar to the employment terms under which the contracting agency employed the employee...". Contractors may not have room for the employee or may not think that the public employee has the skills to perform the work. This could substantially limit the

number of contractors interested in work of this nature as well as substantially increasing the cost to City to contract the work.

Next provision is the performance of services outside of the U.S. Similar bills have appeared in the past and I have concerns about contractors that may travel while they perform the work (architects or consultants primarily) but my concern here is minimal. If separated out from the rest of this bill and cleaned up to address these possibilities this would probably be acceptable.

The next provision is regarding hiring contractors to assist in the development of specifications and then not allowing them to bid on the subsequent project. This is a competition-limiting provision because we do have need for contractors to assist in specification writing when the industry is very specialized with limited contractors able to perform the work. This is a priority 3 oppose as I think it's unnecessary as we often refer to the Oregon Government Ethics Commission Staff & Advisory opinions though I do not think it would have significant negative impact on the City.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Mike Penwell		CS-FAC	1/27/2012	Pri 3	Oppose

Comments: I concur with Jamie's comments, particularly that this bill attempts to address too many disparate issues concurrently.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Paul Klope		PWE	1/30/2012	Pri 3	Oppose

Comments: This bill proposes a selection of unrelated (to each other) changes to contracting law. Below are my comments for each separate provision.

- Employment rights: this clause prevents an individual from seeking and/or being employed by a contractor for a year after the individual has left employment with a public contracting agency. I don't believe this law is necessary to protect public contracting agencies, and it limits the rights of individuals to choose where they work, so I think we should oppose this portion of the bill. For example, this law would mean that an engineer who was laid off from a public agency, would be prohibited from being gainfully employed in his/her profession at a consulting firm inside the State of Oregon for a year, so that person would have to either chose to leave the state, go on unemployment or try another profession. This portion of the bill should be deleted.

- Requires that services for a public contract must be performed in the United States. It's unlikely that this part of the bill will have any impact on the City.

- A company providing services to assist the contracting agency to develop specifications, scope of work or other solicitation documents may not submit a bid or proposal to provide the goods and personal services (falling under 297B) requested by the solicitation. The City should be able to work within these restrictions.

- Requires a bidder or proposer to provide, in the bid or proposal, prices for goods or services the same or similar to those being requested it also provides or offers to other public agencies. This portion of the bill should have little effect on the City.- Allows an employees or unions to sue to stop a public agency from contracting out work that will

cause employees to lose their jobs, reduce their hours of work, or other adverse effects. This portion of the bill reduces the City's ability to manage its own budget and organizational administration and is an erosion of home rule authority. This portion of the bill should be deleted.

- Adds additional reporting requirements for the Oregon Dept. of Agriculture. This portion of the bill will have no impact on the City.

- Requires Oregon Universities to use the same electronic system for posting invitations to bid and other solicitation documents as used by the Dept. of Ag. This portion of the bill will have no impact on the City.

I recommend the bill be revised to eliminate the portion of the bill related to employee rights for a year after separating, and the portion that would give employees and unions rights to sue if the public agency contracts out work that adversely affects the employees job.

If the bill moves forward as is, I recommend the City oppose the bill. If the bill is revised to delete the portions of the bill I noted above, then the City should drop the bill.

HB 4139

Relating Clause: Relating to depositories of public funds.

Title: Directs public officials to deposit public funds in certain community banks. Directs public officials, to extent practicable, to transfer deposited public funds to community banks no later than January 1, 2014. Directs State Treasurer to study feasibility of increasing investment of state moneys in community banks and to file report with Legislative Assembly not later than date of convening of 2013 regular session of Legislative Assembly.

Sponsored by: Sponsored by Representative DOHERTY; Representatives BAILEY, BARNHART, BUCKLEY, DEMBROW, FREDERICK, HUNT, KOTEK, WITT (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4139.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Twylla Miller		CS-FIN	1/31/2012	Pri 2	Oppose

Comments: As written, the City should oppose HB 4139, particularly sections 2 and 3, which are vague. It is unclear to what extent the City would be expected to place public funds with community banks, which could range from certificates of deposit or money market accounts to all banking services. If the intent of the bill is to allow community banks access to public funds, banks already have those opportunities in Eugene.

The City currently selects its depository bank via a competitive RFP process that any bank on the Oregon State Treasurer's Qualified Depository List (per ORS 295) is eligible to submit a proposal. It has been our experience that community banks do not have the expertise or range of services needed by a municipality the size of the City of Eugene. The City should have the ability to choose the bank that can offer the best range of

services and expertise in the public finance sector regardless of whether or not it is a community bank or credit union.

The City has placed millions of dollars in local community banks through a competitive bid process for Certificates of Deposit. Any bank with a branch in the city that is either a qualified depository or uses the CDARS program to ensure the collateralization of public funds is eligible to place a bid. This process has recently been broadened to include credit unions. Over time we have found that community banks offer very competitive rates. Many community banks and credit unions have chosen not to participate in recent bid requests. Some of those institutions have indicated they have not submitted bids as their cash positions are robust and they are not in need of additional funds.

The City should monitor this bill closely as there could be significant impacts to the City if this bill moves forward as written.

HB 4142

Relating Clause: Relating to preferences in public contracting for paper; creating new provisions; amending ORS 279A.125; and declaring an emergency.

Title: Requires contracting agency to apply certain preferences in awarding contracts related to certain goods manufactured from recycled materials. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representatives ROBLAN, HOYLE; Representatives BAILEY, BUCKLEY, DEMBROW, FREDERICK, GARRETT, HOLVEY, KENNEMER, KOMP, KOTEK, MATTHEWS, READ, WITT (Pre-session filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4142.intro.pdf>

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Jamie Garner		CS-FIN	1/27/2012	Pri 2	Support

Comments: The impacts to the City from a financial perspective would be minimal and the only negative that I can see is possible retaliatory bills from other states attempting to protect their paper industry. This bill seems to align with the City's priorities regarding sustainability and it would be relatively simple to add this language to existing procedures on procurement of paper.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Mike Penwell		CS-FAC	1/27/2012	--	--

Comments: I defer to others on this one.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Paul Klope		PWE	1/30/2012	--	--

Comments: I defer to Jamie.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Heather Nelson		CS-FIN	1/31/2012	Pri 2	Support

Comments: Since our paper products are often sourced within the Pacific Northwest and not just Oregon, I recommend amending the region to include the greater Pacific Northwest if possible. While this bill is intended to support Oregon based mills, the market realities of pulp and paper production are most likely going to continue to seek economy of scale at a regional level. This would also maintain a level of competition and likely keep costs down.

The City has an administrative order to buy recycled content paper for printing and copying and custodial paper products (T.P., paper towels, etc.) have recycled content in support of our sustainability efforts, so, as written, this bill would affect our purchases in relation to where the paper is sourced and potentially its price. There would be a financial impact if some of the 10% were implemented for any purchase, though if the full 10% were used in every purchase (which is highly unlikely) the estimated increase based on past centralized expenditures for multiuse printer paper and custodial paper products would be less than \$10K in the first full year. This bill would be a good way to support the local economy and community and would meet those goals within our Triple Bottom Line framework.

<u>Contact</u>	<u>Respondent</u>	<u>Dept</u>	<u>Updated</u>	<u>Priority</u>	<u>Recommendation</u>
Ethan Nelson		PDD-BPS	1/27/2012	Pri 2	Support

Comments: The City of Eugene should support HB 4142 because it is integrated into an ongoing market development strategy for Oregon mills and Oregon recycling infrastructure. We need to have local markets, local processing, and local infrastructure to maintain a strong recycling economy. This bill is part of an effort to provide market preference for products coming out of Oregon mills and also to help clean up the incoming "feedstock" of paper materials from Oregon communities that is received through single source and commingled recycling.

I defer to Heather Nelson and Jamie Garner as to the fiscal impact of the bill on city of Eugene operations.

HB 4144

Relating Clause: Relating to calculations required in determining the lowest bid for certain public contracts; and declaring an emergency.

Title: Requires contracting agency, in determining lowest bid for procurement, to make certain additions and deductions based on health and retirement benefits paid for workers who are residents of this state, based on fuel consumption and carbon generation and based on personal income taxes paid by employing workers who are residents of this state. Becomes operative January 1, 2013. Declares emergency, effective on passage.

Sponsored by: Sponsored by Representative NOLAN (Presession filed.)

URL: <http://www.leg.state.or.us/12reg/measpdf/hb4100.dir/hb4144.intro.pdf>

<u>Contact</u> Jamie Garner	<u>Respondent</u>	<u>Dept</u> CS-FIN	<u>Updated</u> 1/27/2012	<u>Priority</u> Pri 3	<u>Recommendation</u> Oppose
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Comments: I agree with Heather’s conclusions. This bill is poorly written and is requiring significantly more complex calculations that will increase the amount of hours spent on public contracting for all procurements that would fall under this requirement. It seems that some of these calculations would be subjective and could increase vendor protests and dissatisfaction with the public procurement process. This bill does not seem to be the best way to accomplish its intended objective, which is to promote the award of contracts to local businesses. Language and tone is also not consistent with the rest of the statute and would need to be addressed. Overall this bill, if passed, would have a significant financial impact to the City in staff overhead needed to abide by the regulations.

<u>Contact</u> Mike Penwell	<u>Respondent</u>	<u>Dept</u> CS-FAC	<u>Updated</u> 1/27/2012	<u>Priority</u> Pri 3	<u>Recommendation</u> Oppose
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Comments: I concur with Heather’s comments except that I would make this a Priority 2.

<u>Contact</u> Paul Klope	<u>Respondent</u>	<u>Dept</u> PWE	<u>Updated</u> 1/30/2012	<u>Priority</u> Pri 3	<u>Recommendation</u> Oppose
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Comments: This bill is intended to favor contractors whose employees work within the state, who provide health and retirement benefits to their workers and who use materials manufactured in Oregon. It is uncommon for out of state contractors to be the successful bidder for Eugene construction contracts, so this portion of the bill will have little effect on the City. The requirement in the bill to calculate the cost of the fuel and carbon generation to deliver materials made out of state will be difficult to determine in many cases and could be the source of lawsuits from unsuccessful bidders. If the bill were revised to add criteria to use to calculate the cost of fuel and carbon generation to simplify the calculations and to limit liability of the public agencies, I would say the City would support this bill. Otherwise, at this point I think we should stay neutral or drop.

<u>Contact</u> Heather Nelson	<u>Respondent</u>	<u>Dept</u> CS-FIN	<u>Updated</u> 1/27/2012	<u>Priority</u> Pri 3	<u>Recommendation</u> Oppose
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Comments: This bill is poorly constructed and complex. It would require a significant amount of time and research for City staff to implement. The calculations are not adequately outlined in this bill and could be complex, time consuming and lead to substantial increases in public contracting costs. This bill would limit competition and create confusion and possibly increase protests from vendors. Though the intention of this bill appears to be to promote Oregon business, reference to carbon calculations may be interpreted to be addressing greenhouse gas (GHG) generation. The latter, however is not reflective of effective GHG reduction strategies. As the resource extraction and manufacturing process is often more emissions intensive than final transportation to the end user, this bill could ineffectively address the portion of a product’s life cycle that may have a low end impact, hence may not lead to the procurement of the lowest carbon intensive good which would be counter to the City’s climate action plan strategies.