

## **Oregon Legislative Session Update April 24, 2023**

With roughly two months left until Constitutional *Sine Die*, the pace of session has slowed considerably. The Senate, in particular, is moving very deliberately and has 25 bills in the queue to vote on – many of which have been carried over for multiple floor sessions. At the current pace, those 25 bills could take the better part of two weeks (without all-day floor sessions) to get through. This is because Senate Republicans are using procedural tools at their disposal to require that bills be read in full before a vote can occur and using floor motions to request floor votes on bills that did not make it out of committee. As a result, few bills can get voted on each day and Senate Committees are not scheduling work sessions on bills until the floor calendar clears. Separately, the House floor has operated more efficiently. However, the House committees are still awaiting a number of bills from the Senate. Moreover, there are many bills sitting in the Joint Ways and Means Committee awaiting the May Revenue Forecast. The significance of the May Revenue Forecast is that the forecast will determine how much the state can spend on the next biennial budget and meet its balanced budget mandate. All in all, over the next two months the Senate Republican procedural delays will likely have an impact on how many more bills can pass this session.

### **SB 144/HB 2066 – Food Processing Equipment Property Tax Deferral Extension**

The Joint Committee on Tax Expenditures held a public hearing on SB 144 and HB 2066 which are identical bills and would extend the existing food processing equipment property tax deferral program from 2025 to 2030. Dave Dillon and Patrick Maag testified in support of extending this program. Based on data from the Oregon Department of Agriculture, food processors have certified roughly \$183 million in food processing equipment over the last two years with this exemption. We do not expect a vote on this bill until after the revenue forecast which is in mid-May.

### **SB 85 / SB 398 – Confined Animal Feeding Operations (CAFO)**

The Senate Rules Committee has posted a public hearing and possible work session for Thursday, April 27th on both SB 85 and SB 398 (related to CAFOs). As of now, the hearing agenda is listed as a public hearing, but we expect the agenda to change to an informational hearing with invited testimony only. The hearing will focus on an amendment that we hope to review soon.

Senator Dembrow (D-Portland) has been working with Oregon Department of Agriculture, Oregon Water Resources Department, Oregon Department of Environmental Quality, the Governor's office, and advocates on both sides of the CAFO issue in an attempt to pass legislation that would create new permitting standards for CAFOs. As you may recall, SB 85 became very controversial when it appeared to be a vehicle for a 5-year moratorium on new or expanding CAFOs, but ultimately was moved to the Senate Rules Committee because it didn't have enough support to move forward. Now that it is in the Rules Committee, the conversation has moved away from a moratorium to a more holistic look at the CAFO regulatory program and what changes could be made without any major disruptions to animal agriculture and food

processors. We expect to see an amendment reflecting those conversations soon. What we do not know is who will be in support or opposed to the amendment (eg. does it go too far or not far enough).

Once there is an agreement on the amendment and amendment language (if there ever is an agreement), the bill will likely have a fiscal impact statement (costs to the agencies for implementation) and then if voted out of the Senate Rules Committee, it will go to the Joint Ways and Means Committee. Like many other bills, the ability of the state to fund implementation could depend on the May Revenue Forecast. In short, there are still a number of steps (and votes) that will be taken on any bill related to CAFOs before it can get to the Governor's desk.

### **HB 3568 – Warehouse Employment Standards**

HB 3568 is a bill that has been introduced in a number of other states aimed at Amazon warehouses and warehouse workers. The House Rules Committee held a hearing on the bill and the -1 amendment which requires warehouse distribution centers (and many wholesale distribution centers) to provide each employee a written description of a quota system that evaluates employee productivity that the employee is subject to at time of hire and prohibits an employer from taking certain employment actions based on that quota system. As drafted, ag and food processing warehouses would be subject to this bill. This was unintentional so the bill sponsor, Representative Ruiz, has agreed to an ag and processor exemption. After Washington passed its version of the bill, we expect more negotiations over the next few weeks on this bill in Oregon. But with the clock running and the pace of the Senate floor, something will likely need to move in the next few weeks to have a good shot at passing both chambers prior to *sine die*.

### **SB 592 – Worker Safety Inspection**

The House Business and Labor Committee is scheduled to hold a hearing on SB 592. When introduced, this bill was quite controversial, but ultimately negotiated into a bill that the business community could agree to. As a reminder, SB 592 authorizes the OSHA to conduct comprehensive inspections of any place of employment based on a history of prior violations. It also requires the Director to conduct comprehensive inspections whenever an accident investigation reveals that violation has caused or contributed to work-related fatality at place of employment or three or more willful or repeated violations have occurred. We do expect that this bill will pass without any significant amendments.