



**Oregon State Chamber of Commerce  
Legislative Update  
May 22, 2023  
“2023 Legislative Update”**

Dear OSCC Members & Colleagues –

The Senate walkout continues to be the defining story of the 2023 session homestretch.

Ten Republican members of the Oregon Senate now have at least 10 unexcused absences, barring them from serving an additional term after their current term is completed. Though 34 days remain until the legislature is constitutionally required to adjourn, the odds of lawmakers returning to the Capitol to finish their business are growing longer by the day.

In the event that Republican lawmakers do not return and pass a budget, a continuing resolution will allow state government operations to continue until September 15<sup>th</sup>. A special session is very likely to be called at some point over the summer to, at a minimum, balance the state budget, but may include policy bills as well.

**Revenue forecast produces billions more.** The May Revenue Forecast, which is used to craft the final legislative budget for the upcoming biennium, produced an extraordinary amount of money – an extra \$2.3 billion in additional revenue that may be available for the upcoming 2023-25 biennium.

Interestingly, the vast majority of this money is money that is being collected now – in the current 2021-23 biennium – but will flow through to the next biennium as it is too late to spend the money in the current biennium which ends on June 30<sup>th</sup>.

When the legislature is able to successfully convene, it will clearly have all the money it needs to fund what it wants in the upcoming 2023-25 biennium.

**“Mystery” bills slated for Tuesday.** On Tuesday, the House Rules Committee will consider five placeholder bills intended to become omnibus policy bills. Little is known about what will be included in each bill, though the “relating” clauses are very broad and open the door to a seemingly limitless number of potential proposals.

It is our expectation that the bills will be “gut-and-stuffed” with a number of proposals meant to entice Republican lawmakers to return to the Capitol or to initiate a pressure campaign by drafting otherwise bipartisan bill concepts.

**Current OSCC Issues**

**Title V Fee Increase ([HB 3229](#)):** OSCC has long opposed the huge 80% increase for manufacturers in HB 3229. Last week we received a copy of a new amendment to HB 3229 that proposes a fee increase that is every bit as large as the original proposal. Under the new amendment, Title V fees would increase by 86% split over two years. OSCC continues to be opposed to this proposal due to the drastic nature of the increase and the lack of stakeholder engagement prior to session. OSCC is concerned that HB 3229 could simply be stuffed into a DEQ budget bill.

**Research & Development Tax Credit ([SB 5](#) / [SB 1084](#)):** OSCC is closely following the discussions about re-instating a R&D tax credit for manufacturers. The current bill limits the tax credit to the semi-conductor industry, but legislators are hearing from all around the state that the credit should be available to all manufacturing.

**Interstate Bridge Replacement (HB 2098):** On Thursday, lawmakers were set to consider amendments to legislation providing a funding plan for the Interstate 5 Bridge Replacement before passing the bill, but the vote never arrived.

HB 2098 was removed from the committee agenda without explanation, indicating significant turmoil behind the scenes. Democratic members of the committee were not unified in their support of the bill coming into the work session, and efforts to persuade Republicans to advance a bill that included provisions they had long said they would not support, including union-backed 'project labor agreements' were unsuccessful.

In the end, the bill fell victim to Friday's chamber deadline. What happens now is less clear. Even in the aftermath of the bill's failure, lawmakers appear to remain committed to funding the bridge. One possible route for doing so could be through the use of the budget process. You can read more about last week's debacle and the path forward [here](#).

[Download OSCC Bills of Interest](#)