

Oregon State Chamber of Commerce Legislative Update May 8, 2023 "2023 Legislative Update"

Dear OSCC Members & Colleagues -

As it stands right now, it appears that the 2023 session will come to a crashing halt. The Senate Republican caucus has followed through on its threat to boycott the session over the House passage of HB 2002, and at this point, there does not appear to be a pathway for the session to finish.

Due to the passage of Ballot Measure 113 in the 2022 election, a legislator is barred from running for re-election with 10 unexcused absences. This appears to have been no deterrence at all. If senators are barred from running for re-election, it is unlikely they'll have any incentive to show up for any legislative work from this point forward.

To be clear, we don't know how this ends. When this happened in 2019, the Senate Republicans came back for one day – the very last day of the session – to allow budgets to pass. We have no idea whether that would be a viable option this session.

A couple of significant dates in the coming weeks:

May 17th is the final session revenue forecast. It will be the forecast that determines the legislature's final budget decisions.

May 19th is the last day for policy committees. After the 19th, policy committees will be shut down and all policy work will be funneled through a single committee – the House Rules Committee or the Senate Rules Committee.

As a reminder, policy committees will begin the process of shutting down on Friday. For bills to advance, they must be posted for a work session by this Friday, May 5th. Committees with then have until May 19th to advance bills and either approve them to the floor or transfer them to Rules, Revenue, or the Ways & Means Committee.

But either way, May 19th is the last day for policy committees.

Current OSCC Issues

CAT Tax Exemptions (SB 127): We are hearing that the Senate will again take up the issue of raising the exemption on the CAT tax for small business. We are expecting the Senate Finance and Revenue committee to take up the issue again this week to start discussing options.

Research & Development Tax Credit (<u>SB 5</u>): 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): Establishing a plan for funding Oregon's portion of the I-5 bridge replacement project is quickly becoming the focal point of the remaining weeks of this year's session. Last week saw the first major public hearing on amendment language related to the project. Already, typical battle lines over union work requirements, tolling, project costs, and environmental impacts have come to the fore. OSCC is supportive of efforts to leverage the availability of significant one-time federal funds available to help complete the replacement of the current bridge, which has reached the end of its lifespan and is considered seismically unsafe.

Restrictions on Production & Fulfillment Quotas in Warehouses

(HB 3568): OSCC is currently concerned with this bill as it assumes that workplace production quotas lead to unsafe workplaces. We are also concerned that the bill creates a never-ending cycle of potential retaliatory complaints against warehouse employers who use production or fulfillment quotas as a workplace management or productivity tool. **OSCC opposes the bill in current form.**

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