



Office of Mayor Charlie Hales
City of Portland

REPORT TO COUNCIL

January 21, 2014

To: Mayor Charlie Hales

From: Martha Pellegrino, Director of the Office of Government Relations

Subject: Accept the Report on the 2014 State Legislative Agenda

The City of Portland's 2014 State Legislative Agenda was drafted by the Office of Government Relations based on input from council offices, City bureaus and the public. The legislative agenda was developed with a focus on protecting community health and safety and making smart investments. In addition, the agenda also supports preserving state shared revenues, advocates for local authority, and promotes partnerships with rural Oregon.

TO THE COUNCIL:

The Office of the Mayor concurs with the recommendation of the Office of Government Relations and

RECOMMENDS:

that the Council accept the report.

Respectfully submitted,

Mayor Charlie Hales
City of Portland

CITY OF PORTLAND

2014 State Legislative Agenda



City of Portland Council

Mayor Charlie Hales

Commissioner Amanda Fritz

Commissioner Nick Fish

Commissioner Dan Saltzman

Commissioner Steve Novick

City Auditor LaVonne Griffin-Valade

Prepared by the Office of Government Relations

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Housing and Homelessness

Restore Funding for Emergency Housing and Homeless Assistance (EHA/SHAP)

Objective:

Support legislation to restore emergency housing and homeless assistance funding to 2007 levels plus inflation.

Issue:

The Emergency Housing Account (EHA) and the State Homeless Assistance Program (SHAP) help to prevent homelessness and provide emergency shelter for individuals and families. EHA is a flexible tool used to prevent homelessness through short-term rent assistance. SHAP is used to provide emergency shelter, especially to those escaping violence.

General Fund dollars for EHA and SHAP have been steadily declining since 2007. The City of Portland supports the Oregon Housing Alliance proposal to return funding to 2007 biennium levels, plus inflation, by adding back a total of \$3 million to EHA and \$1 million to SHAP for a total of \$7.5 million (EHA) and \$3.6 million (SHAP). Restoring funding to these critical programs could help as many as 1,200 families needing emergency housing assistance or shelter.

The Oregon Housing Alliance is a statewide consortium of advocates, local governments (including the City of Portland), housing authorities, interest groups, and service providers who are dedicated to finding long-term solutions and resources available to meet our state's increasing housing needs.

Public Safety

Promote Gun Safety through Background Checks

Objective:

Support statewide legislation to close loopholes in background check requirements for the purchase of firearms.

Issue:

In 2012, there were 442 deaths due to firearms in Oregon. Nationwide, more than 30,000 people are killed by firearms every year. Mass casualty shootings and other incidents of tragic gun violence have been all too prevalent in recent history.

Public safety is a fundamental priority for the City of Portland and gun violence poses a serious threat to the security of our community. Robust background checks for the purchase or transfer of firearms are one effective preventative measure against gun violence. According to the National Instant Criminal Background Check System, background checks have prevented 1.8 million people, including felons and the mentally ill, from buying guns in the United States. The City of Portland supports legislation to close loopholes in the current system of background checks for the purchase of firearms.

Emergency Communications

Close the 9-1-1 Tax Loophole for Prepaid Cell Phones

Objective:

Support closing the loophole on tax collections from prepaid cellular phones to ensure adequate funding for local emergency communications operations.

Issue:

The Portland Bureau of Emergency Communications (BOEC) operates the 9-1-1 call center serving Multnomah County and the cities of Portland, Fairview, Gresham, Maywood Park, Troutdale and Wood Village. Oregon state law requires that every device capable of accessing 9-1-1 be charged a 75 cent per month tax to support emergency communications operations. Funds collected from this tax account for approximately 30 percent of 9-1-1 centers' operating budgets statewide, and about 20 percent of the BOEC's budget.

Presently, the vast majority of service providers are failing to remit 9-1-1 taxes due on prepaid phones. Closing this tax loophole will recover an estimated \$6 million a year that the State is losing, and about \$1 million a year that BOEC is losing, from providers of prepaid phones, which comprise approximately 15 percent of the emergency calls BOEC receives. The City of Portland supports legislation to ensure collection of the 75 cent per month 9-1-1 tax in order to improve emergency communication services for the public.

Energy Efficiency

Expand Financing Options for Energy Efficiency Building Retrofits

Objective:

Support legislation authorizing local governments and private lenders to partner when making financing available for energy efficiency building retrofits.

Issue:

Current statute authorizes local governments to provide loans for cost-effective energy efficiency retrofits to commercial and industrial buildings. These energy efficiency investments create jobs, save money for property owners and tenants, and reduce demand for electricity. Loans authorized by current statute must be capitalized by general revenue bonds and are repayable via a property assessment. The City of Portland supports legislation authorizing private lenders to partner with local governments to make private financing available for this purpose as well. Leveraging private financing for energy efficiency building retrofits will encourage wider participation by property owners.

General Government

Protect and Advocate for Local Government Authority

Objective:

Strongly oppose any legislation that would preempt the City's authority and support legislation that proposes to lift preemptions.

Issue:

The City of Portland will oppose efforts to preempt its authority to develop and enforce local ordinances, manage its bureaus and their functions, raise local revenues, or avoid state imposed tax expenditures on local government. For example, the City will oppose efforts to preempt or alter:

- Franchise fee authority;
- The City's paid sick leave ordinance;
- The City's ability to impose business license taxes; and
- Utility license fee authority.

Conversely, the City will support efforts to remove preemptions on local government authority, such as allowing greater autonomy in day-to-day operations or increased authority to levy taxes or fees. Examples include existing statutes that preempt local authority to:

- Levy taxes on alcohol and tobacco products; and
- Establish a city vehicle registration fee.

Taxation and Finance

Protect and Enhance State Shared Revenues

Objective:

Preserve the City's share of state liquor, tobacco and 9-1-1 telephone tax revenues.

Issue:

Under current statutes, Oregon cities receive a portion of state revenues from liquor and tobacco taxes and 9-1-1 telephone taxes. The monies that the City of Portland receives go to fund essential services.

Liquor & Tobacco Taxes: The City receives more than \$14 million in revenue from liquor and tobacco taxes through the state shared revenue funding formula. The shared revenues received from the State are allocated into the City's General Fund and are an important piece of funding for the City's public safety budget and other essential services. Any cuts to this funding source would significantly impact the City's ability to adequately fund public safety and other important services.

Emergency Communications: The City of Portland's Bureau of Emergency Communications (BOEC) provides 9-1-1 call answering and dispatch services to all of the police, fire, and medical responders in Multnomah County. State shared revenue from the 9-1-1 tax accounts for approximately \$3.78 million annually to BOEC's 9-1-1 call answering and dispatch services. In addition to closing the 9-1-1 tax loophole for prepaid cell phones (see page 3), the City supports the maintenance of the shared revenue formula, as any cut to it would significantly hinder BOEC operations and the ability to dispatch emergency services in a timely manner.

Health Care

Support Creation of New OHSU Cancer Research Center

Objective:

Support OHSU's request for \$200 million in capital construction funding from the state toward additional cancer research and clinical trials space in two additional buildings.

Issue:

The City of Portland is proud to be home to one of the preeminent cancer research centers in the world, the Oregon Health & Science University (OHSU) Knight Cancer Institute. Cancer accounts for nearly one out of every four deaths in the United States, killing almost 1,600 people a day. OHSU is currently undergoing a massive effort to raise \$1.2 billion from private and public sources, including \$200 million from the State, to construct a new cancer research center and bring some of the brightest minds in medicine to Portland. The City of Portland supports this request for capital construction funding from the State, which will support scientific research, clinical trials and patient care space in two new buildings. The two-year construction phase is projected to result in \$892 million in total economic output. Once fully operational, the facilities will support \$134 million in annual economic output and help people live longer and healthier lives. It is estimated that the expansion will generate 3,418 jobs during each year of construction and nearly 400 new ongoing positions at OHSU Knight Cancer Institute, including many middle-income jobs.

Rural Partnership

Support for Rural Communities

Objective:

Support and advocate for issues of importance to our rural partners that will enhance the health, growth and vitality of the entire state.

Issue:

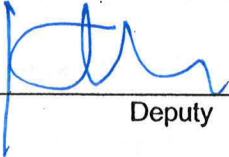
The health and vitality of urban and rural communities in Oregon are intertwined. The City will continue to work with its rural partners on issues that disproportionately affect rural communities.

Tax Credits for Crop Donation: Food insecurity is a major issue for many Oregonians and access to fresh and local foods is especially hard to come by for Oregonians facing food insecurity. Many local farmers and producers want to donate crops but the costs of doing so can be prohibitively expensive. Whether wholesaling or donating, local farmers and producers must still cover the costs of harvesting, transportation and storage. Moreover, donated crops are not currently eligible for any state tax benefit for donations. That is why the City of Portland supports the Oregon Food Bank proposal to create a tax credit for Oregon farmers and producers valued at 15 percent of the wholesale price of the donated food product. This credit will help Oregon's farmers overcome cost barriers that stand between fresh local food and hungry Oregonians.

Entrepreneurial Development: Job creation is essential to the vitality of any community, but especially to rural areas that have been hit hard by the economic downturn. Diversity of industry creates economic opportunity and much needed stability, which is why the City of Portland supports the creation of a pilot program at Business Oregon to identify, develop and promote entrepreneurial activities in rural communities. The proposal also increases the cap for Oregon Entrepreneurial Development loans so that small businesses may seek assistance with funding for larger projects. Supporting entrepreneurial and small business development in rural communities will help those communities recover, benefiting all Oregonians.

Agenda No.
REPORT
Title

Accept the Report on the 2014 State Legislative Agenda (Report)

<p>INTRODUCED BY Commissioner/Auditor: Mayor Hales</p>	<p>CLERK USE: DATE FILED <u>JAN 24 2014</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By:  Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau: Office of Government Relations Bureau Head: Martha Pellegrino</p>	<p>ACTION TAKEN:</p> <p style="font-size: 1.2em; font-weight: bold;">JAN 29 2014 ACCEPTED As Amended</p>
<p>Prepared by: Daniel Eisenbeis Date Prepared: 1/21/14</p>	
<p>Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p>	
<p>City Auditor Office Approval: required for Code Ordinances</p>	
<p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan</p>	
<p>Council Meeting Date 1/29/14</p>	

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: <u>2:00 PM</u> (2 of 2)</p> <p>Total amount of time needed: <u>45 min</u> (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	—	—
4. Novick	4. Novick	✓	
Hales	Hales	✓	