

## 2023 LEGISLATIVE SESSION REPORT

Last Sunday marked the conclusion of the 82<sup>nd</sup> Oregon Legislative Session. In the beginning, for the first time in the past three years, session seemed back to normal with committee meetings in person, and lobbyists and the public walking the Capitol halls. Despite the sounds of ongoing construction and limited building capacity with the current \$500 million remodel and seismic retrofit underway, freshman legislators commented how much they enjoyed the collaboration and bipartisanship. Governor Tina Kotek also saw early success with passage of her \$200 million housing and homelessness package in late March.

Unfortunately, all of this changed after the House passed legislation on reproductive health and gender-affirming care and on gun limits (HB 2002 and HB 2005). Both measures were viewed as too extreme by Senate Republicans, and the caucus refused to show up for floor sessions, ultimately preventing quorum and shutting down the process. It wasn't until six weeks later, after the longest legislative walkout in Oregon's history, that Senate Republicans agreed to return in exchange for significant amendments to the forementioned bills. With just eight days left in the session until Oregon's Constitution required adjournment on June 25<sup>th</sup>, legislators worked frantically to pass state agency budgets and additional legislation. While they were ultimately successful in getting the budgets completed, the shortened timeline left many bipartisan bills on the table. Much of this work will now have to be reinitiated in the 2024 Legislative Session.

This was a unique session for the Oregon Dental Association, highlighted by four dentists serving in the Legislature. These doctors include Sen. Fred Girod, Republican-Stayton; Sen. Cedric Hayden, Republican-Roseburg; Rep. Hai Pham, Democrat-Hillsboro; and Rep. Cyrus Javadi, Republican-North Coast. No state in the country has as many dentists serving in the legislature as Oregon.

ODA introduced HB 2979, an ambitious \$20 million funding package focused on workforce and a lack of dental assistants (detailed more specifically below), as well as HB 3008, legislation on transparency and clarity regarding network leasing and hidden credit card fees. ODA supported efforts to remove the costly written test requirements for dental assistants seeking radiological proficiency and other types of tests that create burdens for individuals entering the workforce (HB 2996 and HB 3223). ODA continued to advocate for oral health leadership in the Oregon Health Authority by supporting the creation of an Office of Oral Health with a strong state dental director (HB 3007). ODA also testified and submitted comments on the budget for the OHSU School of Dentistry. In addition to our priorities, ODA supported our partners, including Dental Care Organizations and others, on their legislation, testified on multiple health care issues, and continued our advocacy with regulatory bodies.

A special thank you goes out to members of our Legislative Task Force and Regulatory Affairs Committee for their time, input and patience as we worked through the process.

Please note: Each bill status is updated as of the publication date of this report.

## **ODA's Proactive 2023 Legislative Agenda**

## House Bill 3008 — Insurance Transparency

Passed unanimously off the House floor and passed the Senate floor with overwhelming support; now awaiting governor's signature

ODA members spearheaded House Bill 3008 to improve transparency of dental plans and prevent surprise business expenses, protect access to care, improve oral health outcomes and promote public understanding of health care costs. The bill accomplishes this through transparency in insurance practices involving provider networks, as well as transparency in the claims reimbursement process.

The bill requires dental plans to obtain a provider's consent before selling or leasing out provider panels, along with advance approval to receive reimbursement payments via electronic credit cards rather than checks. Insurers are also required to communicate about payment processing fees associated with these electronic reimbursements. For one ODA member, third-party credit card processing fees have added up to \$11,000 a year.

ODA members not only helped craft the bill — they also worked with staff to advocate for these policies in the Capitol: meeting with legislators, testifying to legislative committees, sharing their stories in the news, and more.

Throughout the session, a major sticking point was whether insurance companies should be required to have dentists opt into these agreements rather than making them opt out, which often leads to surprise expenses. Ultimately, we were successful in ensuring opt-in requirements were included. While some states currently have opt-in requirements when it comes to virtual credit card reimbursements, Oregon is the first in the nation to require consent in advance of network leasing.

## Effective date: January 1, 2024

## House Bill 2979 — Addressing the Dental Workforce Crisis

Won unanimous approval in House Committee on Health Care, then stalled in Joint Committee on Ways and Means

Developed by ODA members, and sponsored by dentists Rep. Hai Pham and Rep. Cyrus Javadi, HB 2979 would have addressed Oregon's shortage of dental support staff by funding the primary pathways Oregonians take to become dental assistants and hygienists and better supporting those working in rural and underserved areas.

The bill would have invested in high school and community college education and training programs for dental assistants and hygienists, expanded eligibility for incentives to all oral health professionals serving high-need communities, and improved access to free resources for dentists offering on-the-job training.

ODA staff and leadership collaborated with stakeholders throughout the session and built a coalition including over two dozen organizations — from Oregon Health & Science University, Portland Community College, Clackamas Community College, East Multnomah County Schools and Portland Public Schools, to Kaiser Permanente, Willamette Dental Group, Providence Health & Services, Virginia Garcia Memorial Health Center and Care Oregon, to the Oregon

Primary Care Association, Oregon Dental Hygienists' Association, Oregon Dental Assistants Association, and many others.

ODA members testified to legislators, participated in <u>interviews featured on local news programs</u> and sent a record 1,500+ letters advocating for the bill to state lawmakers. Although HB 2979 stalled during the walkout, the initiative is strongly positioned for future efforts. Thank you to everyone who took action to raise awareness and advance solutions to the staffing crisis!

# **Other Priority Bills**

## House Bill 3007 — Office of Oral Health

Approved by House Committee on Health Care, stalled in Joint Committee on Ways and Means

Spearheaded by the Healthy Teeth, Bright Futures Coalition and supported by ODA, HB 3007 would have established an Office of Oral Health and an Oral Health Advisory Committee to support the Oregon Health Authority's dental director to promote evidence-based oral health disease prevention across Oregon.

The House Committee on Behavioral Health and Health Care approved the bill, sending it to the Joint Committee on Ways and Means, where it stalled following the Senate walkout.

House Bills 2996 and 3223 — Replacing Written Exams for Dental Assistants

HB 3223 amended and passed in the Senate; now awaiting governor's signature

Sponsored by dentists Rep. Pham and Rep. Javadi, HB 2996 would have allowed dental assistants to obtain certification to perform radiography procedures through a combination of education and hands-on training — with proficiency verified by a licensed dentist or dental hygienist — rather than requiring completion of a written exam. HB 3223 expanded on HB 2996 by replacing written testing requirements for other certifications as well.

The bills aimed to empower dental assistants to practice to the full extent of their training and experience by allowing them to establish proficiency without paying to take written exams, as many dentists felt these do not accurately reflect competency, do not affect the health and safety of patients, and can serve as an economic barrier to career advancement.

While HB 2996 did not advance, HB 3223 was amended and passed the Senate. The amended legislation establishes a workgroup at the Oregon Board of Dentistry to develop recommendations on dental assisting credentials. The bill expands the type of dental assisting tests and entities to provide those tests the OBD may accept, requires that tests are offered in multiple languages, and specifies that the Board may not require more than one examination per dental assistant certification type.

ODA looks forward to collaborating with the Oregon Board of Dentistry through the workgroup to find meaningful and creative solutions to the dental assistant workforce crisis.

# Other Dental-Specific Bills

SB 5011 — Oregon Board of Dentistry Budget

SB 5011 was the OBD's budget bill. View the <u>agency presentation here.</u>

## The Board had two POPs:

- Package 100 Dental Therapy Fees Implementation. The purpose of this revenue only
  package was to memorialize the new dental therapy fees that were initiated and effective
  July 1, 2022, after extensive meetings and communication on this matter between
  2021 and 2022.
- Package 200 Oregon Wellness Program. The purpose of the Oregon Wellness Program (OWP) is to ensure health care professionals within the state of Oregon have access to mental health support that is non-reported, urgently available, and complimentary. OWP contracts with licensed and credentialed mental health providers, who each have a minimum of five years of professional experience providing services to health care professionals.

Effective date: July 1, 2023

## SB 469 — Tribal Scholarships

Sen. Bill Hansell brought back his concept to create the Indian Health Scholarship Program to be administered by Oregon Health and Science University (OHSU). The bill would have funded scholarships for members of federally recognized tribes to cover the full cost of tuition for professional training programs for health care at private or public institutions of higher education. The bill received a public hearing in Senate Health, where <a href="ODA submitted supportive testimony">ODA submitted supportive testimony</a>. Sen. Chris Gorsek thanked Sen. Hansell for bringing the concept forward, and tribal representatives specifically called out dental providers as a need that is not prioritized enough by Indian Health Services.

Status: Did Not Pass

## HB 3090 — Flavored Tobacco Ban

This bill would have prohibited distributing, selling, attempting to sell or allowing to be sold flavored inhalant delivery system products or flavored tobacco products in Oregon. It passed out of policy committee and stalled in Ways and Means.

Status: Did Not Pass

## SB 412 — Dental Labs

This bill would have required registration of dental labs, with some exceptions. It passed out of policy committee and stalled in Ways and Means.

Status: Did Not Pass

## **SB 487 — HTBF Care Coordination**

This was the Healthy Teeth Bright Futures bill focused on funding for care coordination for school sealant programs and CDHCs. ODA supported the bill. It passed out of the policy committee to Ways and Means, where it stalled.

Status: Did Not Pass

Other bills of interest tracked this session follow by topic.

**HEALTH CARE** 

## HB 2395 — Opioid Harm Reduction Package

Rep. Maxine Dexter, a physician legislator, passed HB 2395, which is a robust opioid harm reduction package. The bill had a broad range of support from first responders, physician groups, the Attorney General, elected district attorneys and recovery advocacy communities. The bill aims to increase accessibility to naloxone and accomplishes the following:

- Changes term "naloxone" to "short-acting opioid antagonist."
- Allows law enforcement officers, firefighters, and emergency medical services providers to distribute and administer short-acting opioid antagonists, and provides criminal and civil liability protections for doing so.
- Establishes criminal and civil immunity for failure or refusal to distribute or administer short-acting opioid antagonist.
- Allows Public Health Officer or physician employed by Oregon Health Authority (OHA) to issue a standing order to prescribe a short-acting opioid antagonist.
- Allows the owner of a public building or facility to store short-acting opioid antagonist kits in locations easily accessible to members of the public.
- Requires OHA to publish on its website a list and locations of buildings and facilities for which OHA prioritizes provision of kits.
- Authorizes school administrators, teachers, and other school employees designated by a school administrator to administer a short-acting opioid antagonist to a student experiencing an opioid overdose without written permission of a parent.
- Exempts specified items, including pipes, drug test strips, and equipment, from drug paraphernalia prohibitions.
- Requires OHA to provide guidance for communication among local mental health authorities to improve notifications and information sharing when an individual 24 years of age or younger dies as a result of an opioid overdose.
- Establishes protocols and timelines for reporting of opioid overdose deaths.

## Effective date: Effective on passage

## HB 2002 — Reproductive Rights & Gender Affirming Care

As part of the negotiations to bring the Senate Republicans back to the Capitol, HB 2002, which is related to reproductive rights and gender-affirming care, received additional amendments late in the session. Read the full summary of the bill and amendments here. Of note, the original bill included language clarifying that parental notification is not required for patients under 15 — the amended version of the bill maintains parental consent/notification for patients under 15, but says it may be overridden by health care providers.

## Effective date: Effective on passage

## SB 1089 — Universal Health Governing Board

The Task Force on Universal Access has been meeting the past several years, and has proposed a single payer system in Oregon. Early estimates predict a cost of about \$53 billion for this program, largely to be funded by new taxes. SB 1089 Establishes a Universal Health Plan Governance Board and directs the board to create a comprehensive plan for implementing a Universal Health Plan.

## Effective date: Effective on passage

## HB 3396 — Behavioral Health Package

This bill encompasses the negotiated agreement package on nurse staffing between hospitals and the Oregon Nurses Association. The agreement provides funding for increasing the workforce pipeline through:

Funding for clinical rotations

- Supporting nurse faculty at public institutions
- Flexibility in the cost growth target program by allowing for worker salary under a certain wage (\$200K) not to count toward the 3.4%
- Creation of a task force on hospital discharge

## Effective date: Effective on passage

## **HB 2665** — Temporary Staffing Agencies

HB 2665 as amended with the <u>-3 amendment</u> requires the Health Licensing Office (HLO) to establish process to receive and investigate complaints regarding temporary staffing agencies. The bill authorizes HLO to impose civil penalties, or revoke, suspend, or impose conditions on authorization in specified circumstances, clarifies definition of "personnel" for purposes of temporary staffing agency regulation, and requires temporary staffing agencies to ensure personnel complete criminal records checks, complete required training and continuing education, possess necessary skills, knowledge, and experience, and comply with applicable health requirements. It also requires OHA to adopt rules establishing maximum rates a temporary staffing agency may charge. Importantly, the bill establishes criteria and factors for maximum rate development and requires OHA to consult with temporary staffing agencies and specified providers in establishing maximum rates. It also creates an exemption from the maximum rate for 25 or fewer personnel in a single licensed care setting and requires OHA to establish a process for waiver and emergency waiver of the maximum rate.

Effective date: September 24, 2023

## HB 2574 — PEP Access

Requires hospitals to adopt policies and procedures to ensure provision of human immunodeficiency virus post-exposure prophylactic drugs or therapies following a patient's possible exposure to HIV. The bill, as amended, exempts special inpatient care facilities from the requirements, and clarifies hospital responsibility to dispense a minimum five-day supply of PEP drugs or therapies. The amendment also modifies the requirement for OHA to provide PEP drugs and therapies to type A and type B hospitals to one 30-day supply annually. Importantly, the bill as amended prohibits health benefit plans from imposing a deductible, copayment, coinsurance, or other cost-sharing for supplies of PEP drugs and therapies.

Effective date: January 1, 2024

#### HB 2446 — CCO Contract Length

HB 2446 deals with the length of CCO contracts, and requires a two-year extension to no later than December 31, 2026, of term for contract between Oregon Health Authority and coordinated care organizations.

Effective date: Effective on passage

## SB 450 — Naloxone Labeling

Oregon law (ORS 677.089) requires physicians and physician assistants to make certain notations on the label of any drug that they personally dispense. These requirements include the name of the patient, the name and the address of the physician, any cautionary statements, and the expiration date of the drug. SB 450 removes the requirement for providers to make certain notations on the label of nasal spray for reversing opioid overdose that they personally dispense.

Effective date: January 1, 2024

SB 972 — State Based Marketplace

Currently, Oregon utilizes the federal marketplace, Healthcare.gov. During a public hearing, the Oregon Health Authority testified that it would prefer to move to a state-based marketplace, to allow for increased flexibility and nimbleness. View the agency presentation here.

The Senate Health Committee voted on party lines to move the bill out of committee and into Ways and Means, with the Republicans on the committee making several references to concerns about OHA's capacity for such a project, as well as references to the <u>Oracle scandal</u>. View Senate press release here.

Effective date: Effective on passage

#### HB 3205 — Pay Equity/Bonus Pay Fix (health care)

This bill directs the Bureau of Labor and Industries to conduct rulemaking to clarify how employers are able to provide retention bonuses and hiring incentives under Oregon's pay equity law.

View the health care support testimony here.

Effective date: Effective on passage Future activity: BOLI rulemaking

#### **SB 216 — REAL D**

SB 216 was an Oregon Health Authority bill to clarify that data collected related to REAL D (race, ethnicity, language, disability) is confidential and not subject to records requests.

Effective date: September 24, 2023

## **SB 231 — Electronic Mandatory Reporting**

SB 231 allows DHS to create a pathway for mandatory reporters to make electronic reports of child abuse.

Effective date: January 1, 2024

## **SB 607 — Pain Management Commission Study**

SB 607 directs the Oregon Health Authority to study the membership of the Pain Management Commission, and requires OHA to submit a report that includes recommendations for legislative changes to membership of the commission.

Effective date: January 1, 2024

#### SB 411 — Drug Takeback Expansion

SB 411 clarifies that hospitals and medical/infectious waste incinerators may act as drug takeback sites under Oregon's Drug Takeback Program. This bill is seen as a technical fix, as original proponents of the program thought these sites would be included. View <a href="DEQ's program fact sheet">DEQ's program fact sheet</a>.

Effective date: May 16, 2023

## HB 3258 — Adding Schedule V to PDMP

HB 3258 adds Schedule V drugs to the PDMP. The bill as amended:

- Permits pharmacist to receive prescription monitoring information regarding prescriptions for animals.
- Defines patient to include individual to whom prescription drug is prescribed and individual to whom prescription drug is prescribed on behalf of an animal.
- Requires OHA to contract with information technology services vendor to provide secure connections between electronic system and prescribers and pharmacies.
- Exempts naloxone and drugs containing pseudoephedrine or ephedrine from substances subject to PDMP monitoring and reporting.

- Requires disclosure of minimum PDMP information necessary to specified medical assistance program staff and the Centers for Medicare and Medicaid Services (CMS).
- Add veterinarian representative to Prescription Monitoring Program Advisory Commission

Note, this bill does *not* mandate that providers guery the PDMP.

Effective date: September 24, 2023

## HB 3596 — Surgical Tech Apprenticeship Cleanup Bill

HB 4106 passed in the 2022 Session, and increased the pathways that surgical technologists are permitted to come into the workforce by allowing an apprenticeship model. The bill was supported by the Hospital Association, ASCs, and the Medical Association — with these groups calling it a tool to increase a workforce that is facing significant shortages.

Through the rulemaking process, it became apparent that a statutory cleanup was necessary, as DOJ interpreted the language to require both an apprenticeship and the traditional education model. HB 3596 is that cleanup.

Effective date: Effective on passage

## **SB 974 — Fraudulent Representation**

The bill creates the crime of sexual abuse by fraudulent representation, and was introduced in response to <u>this case</u> of a physician accused of abusing patients. During the hearing, the committee heard testimony from district attorneys, and Rep. Lisa Reynolds, who is a physician, made supportive comments about the need for the bill. The committee also heard from chief sponsors Sens. Mark Meek and Kathleen Taylor.

Effective date: Effective on passage

## **BILLS THAT DID NOT PASS**

#### SB 408 — Independent Scope Commission

SB 408 would have created an independent commission, comprised of actual providers and experts, to review and weigh scope of practice proposals and provide recommendations to the legislature.

## **HB 2538 — Healthcare Interpreter Reimbursement**

HB 2538 would have required insurers to reimburse for the cost of hiring a health care interpreter. Despite significant provider support for the concept, it did not advance this session and will instead be discussed by an interim workgroup. View the coalition one-pager here.

## SB 1085 — Pharmacist Scope/Test to Treat

SB 1085 represented a significant scope expansion for pharmacists by allowing them to treat short-term health conditions that can be tested for, including but not limited to lice, flu, COVID-19 and UTIs.

## **HB 2141** — Expands Crime of Assault on Hospital Worker

This bill would have expanded the crime of assault in the third degree to include causing physical injury to a person working in hospital while the worker is performing official duties. This would have provided protections in line with what paramedics and others currently receive.

## HB 2825 — Temporary License in Emergency

This bill would have authorized the Oregon Department of Emergency Management to issue temporary professional licenses during states of emergency to individuals formerly licensed by certain professional licensing boards.

## HB 2642 — Mandated PDMP Query

HB 2642 would have mandated that providers query the PDMP prior to writing or refilling a prescription for a drug subject to the PDMP.

## **SB 818 — Suicide Prevention CME**

The bill, brought by the Alliance to Prevent Suicide, sought to create high-quality CME materials related to suicide prevention. It would have created a position at the Oregon Health Authority to develop a list of suicide risk assessment and treatment continuing education opportunities for specified physical health care providers.

## **SB 849** — International Medical Graduates

The bill, which was estimated to cost \$20M (general fund), was aimed at assisting foreign-trained health professionals on their path towards licensure in Oregon. In addition to creating a grant program to support foreign-trained graduates, the bill would have:

- Required all professional licensing board staff who interact with internationally educated professionals through the licensure process to receive culturally responsive training approved by the Office of Immigrant and Refugee Advancement.
- Required all professional licensing boards to develop easy-to-follow licensing guides to better inform internationally educated professionals of state licensing requirements, processes, options, costs, and timelines.
- Allowed applicants who have already passed an English proficiency test for licensure in another state to apply for licensure in Oregon without retesting English proficiency.
- Removed the seven-year requirements for completing all three steps of USMLE.
- Allowed the medical board to issue a limited license to practice medicine.

## SB 891 — Death With Dignity

SB 891 proposed to make substantial changes to Oregon's Death with Dignity laws, including expanding the types of providers who are able to prescribe the drugs to include NPs and PAs. The bill also would have eliminated the Oregon residency requirement and allowed the prescription to be delivered electronically. Additionally, the waiting period would have been reduced from 15 days to 48 hours under SB 891.

## SB 559 — Veterinarian Use of PDMP

This bill came from the <u>Secretary of State's audit on the prescription drug monitoring program</u> and would have added veterinarians into the program.

#### **HB 3157** — Review of Insurance Mandates

HB 3157 would have created a committee that would review and provide a fiscal analysis on any insurance mandates proposed by the legislature.

## HB 2736 — Occupational Therapy (OT) Licensing Compact

The House Health Committee was slated to vote on HB 2736, which would have added Oregon to the OT interstate licensing compact — until the occupational therapy licensing board gained special approval from the governor to oppose the bill.

## **HB 2408 — Nurse Licensure Compact**

The House Health Committee heard a bill that would add Oregon to the Nurse Licensure Compact. The committee received supportive testimony from <u>OAHC</u>, the <u>hospitals</u>, NLC staff and others. However, the Oregon Nurses Association strongly opposed the bill.

## SB 584 — Health Care Interpreter Scheduling Portal

SB 584 directed OHA to create and maintain a scheduling portal for health care interpreters. The -1 amendment proposed to require use of this system by providers seeing Medicaid patients.

## **HB 2919 — Shielding Nurses from Criminal Liability for Medical Errors**

This bill was designed to protect nurses from criminal liability upon a mistake when caring for a patient in good faith. This bill was a direct response to a criminal case against a nurse in Tennessee whose medical error led to a patient's death.

#### HB 3242 — Bad Faith

This bill would have established a private right of action for the insured to recover actual damages, attorney fees, and litigation costs resulting from an insurer's unfair claims settlement practice.

## HB 3243 — Second Suit

This bill would have made unfair claim settlement practices unlawful trade practices under the Unlawful Trade Practices Act (UTPA). It would have permitted a person to obtain, and a court to award, appropriate equitable relief deemed appropriate in addition to monetary damages under UTPA.

## SB 495 — Urgent Care Licensing

This bill would have required the Oregon Health Authority to adopt rules for licensing urgent care centers.

## HB 2552 — Rural Provider Tax Credit

HB 2552 would have eliminated the income threshold on the program and doubled the amount of the tax credit.

#### HB 2652 — County State of Emergency

HB 2652 would have allowed for counties to apply for a health care shortage state of emergency, during which time (if approved) the county would be able to offer scholarships, loan forgiveness, housing assistance, signing bonuses, childcare subsidies and other benefits to health and human services professionals. Eligible personnel was set to include physicians, EMS, dentists, and support staff, to name just a few. This bill was requested by Washington County.

#### **EMPLOYMENT**

#### **BILLS THAT PASSED**

## SB 592 — OSHA Investigations/Workplace Fatalities

The bill requires the director of DCBS/OSHA to conduct a comprehensive workplace inspection when an accident investigation reveals a violation caused or contributed to a work-related fatality or when three or more willful or repeated violations occur within a one-year period at a place of employment. The measure also significantly increases the civil penalties the agency can attach to align with federal civil penalties from not less than \$50 to "not more than \$15,625,

but not less than \$1,116 for each violation, and if the violation is found to have contributed to or caused the death of an employee, to not more than \$50,000 and not less than \$20,000 for each violation. Willful and repeated violations will be assessed at not more than \$250,000 and not less than \$50,000.

Effective Date: May 24, 2023

## SB 851 — Psychological Abuse in Workplaces

The original proposal would have created a new adverse employment action for employees to pursue claims against their employer for "toxic work environments." The chair worked with the proponents and business representatives to negotiate an alternative concept reflected in the final adopted bill, which simply directs BOLI to prepare a model respectful workplace policy that employers may adopt along with informational materials.

Effective Date: January 1, 2024

#### SB 907 — Right to Refuse Work

Labor and employer representatives were able to reach a negotiated agreement on the base bill that codifies a portion of the current Oregon Administrative Rule, <u>OAR 437-001-0295</u>, relating to when an employee may refuse to work. The codified OAR aims to mirror the federal rule found at 1977.12(b)(1)-(2). The final bill also directs OR-OSHA to adopt rules "in accordance with the federal Occupational Safety and Health Act of 1970."

Effective Date: January 1, 2024

**Future Action: OR-OSHA Interim Rulemaking** 

## HB 3028 — Employee Serving on Boards

The bill prohibits an employer from requiring an employee to use vacation, sick, or annual leave for time spent by the employee as an appointed member of a state board or commission as defined in ORS 292.495. The bill requires at least 21 days' notice by an employee to an employer of any time the employee needs for service on a state board or commission. The negotiation between labor and employer representatives removed the private right of action and replaced the enforcement mechanism to a complaint process with the Bureau of Labor and Industries (BOLI) Civil Rights Division.

Effective Date: Takes effect on 91st day following adjournment sine die

#### HB 3205 — Hiring/Retention Bonuses

As amended on the Senate side of the debate, Chair Taylor removed the negotiated agreement to allow certain hiring bonuses. In lieu of that exception, the amended bill directs BOLI to adopt rules to "further clarify the payment of bonuses based on one or more bona fide factors..." and report back to the Legislature by February 1, 2024, on the status of that rulemaking. <u>See health care one-pager here.</u>

Effective Date: Takes effect on 91st day following adjournment sine die

## HB 3471 — No-Rehire Agreements in Worker Compensation Settlements

The bill prohibits employers from seeking and requiring "no-rehire agreements" in workers' compensation settlement agreements, unless the employee has indicated a willingness to consider the no-rehire provision in writing. The bill requires the settlement offer to clearly state that the offer is conditional on the worker also entering into an agreement with the no-rehire provision. The bill permits a worker to file complaint with Bureau of Labor and Industries and bring civil action.

**Effective Date: Upon signature** 

## SB 694/HB 2650 — Workgroup Quota Bill

These bills would have required all formal and informal workgroups and task forces to have a minimum membership of 50% reflecting impacted community representatives and 25% members of color. The bills also would have compensated workgroup members who are not already being compensated for their participation. HB 2650 died in Ways and Means and SB 694 did not advance out of the policy committee.

## SB 925 — Wage Transparency

This bill would have required that employers post their wage ranges in job postings, along with new record keeping requirements and a private right of action. An opinion from Legislative Counsel found that the limitations on employers' speech violated the Oregon Constitution, specifically that they "would contravene the broad protections for speech under Article I, section 8, of the Oregon Constitution, as impermissible compelled speech." Accordingly, the bill did not move forward and died in committee.

## HB 2556 — Plain Language/Overpayment of Wages

As drafted, the bill would have required employers to include "plain language" for all deductions and subtractions on paystubs. That language was removed and evolved to focus on employers recovering overpaid wages and establish certain parameters for recouping those wages. The bill died in the Senate Labor and Business Committee.

## **HB 2800 — Age Discrimination**

Sponsored by AARP and over 37 legislators, the bill would have created an unlawful employment practice for employees who asked for the age of an applicant prior to completing the initial job interview or in making an offer of employment. It also precluded employers from including certain words of phrases in job applications that would suggest an age preference. The bill did not advance out of the House Business and Labor Committee after strong opposition from the business community.

#### TAX & BUDGET

#### **BILLS THAT PASSED**

## SB 5525 — OHA Budget

OHA's budget made it out of its Ways and Means subcommittee. This agency's budget represents one of the largest that the Legislature approves. See the <u>LFO summary</u> here. Several POPs were included in the budget, including:

- Significant investments in behavioral health totaling \$69M (POP 803, 404)
- Investments in public health (\$30M over current service level POP 406)

Effective date: July 1, 2023

## SB 5526 — OHA Fee Bill

SB 5526 passed Ways and Means. This is the fee bill for the Oregon Health Authority. Of note, it includes the fees for the Health Care Market Oversight Program (HCMO), which gives the agency oversight and the ability to approve/deny health certain care mergers, acquisitions and affiliations. This portion of the agency is fee driven, paid by entities subject to the review. See fee schedule here:

Health Care Market Oversight Program:

- (a) Emergency Exemption Review..... \$2,000
- (b) Preliminary Review......\$2,000

- (f) Comprehensive Review Revenues of the smaller party over \$500 million ........ \$100,000 **Effective date: July 1, 2023**

#### HB 2073 — CAT Modifications/Reform

While some modifications to the corporate activity tax (CAT) did not pass, some smaller technical changes were adopted in HB 2073. These changes include: clarification for when dealers sell specified items of precious metal, the cost paid by the dealer for the items is excluded from commercial activity subject to the Corporate Activity Tax; an exclusion from the CAT for agricultural commodities sold to a processor for out-of-state sale; allows taxpayers to determine excluded commercial activity for agricultural products sold to processors based on a certificate received from the processor stating the percentage sold out-of-state, or by using an industry average percentage for the commodity from the previous year; specifies that these two provisions take effect for tax years beginning on or after January 1, 2024. The bill also allows extension of the Corporate Activity Tax filing deadline for taxpayers that have an extension of time to file income tax for the same tax year and aligns the Corporate Activity Tax filing deadline to the federal income tax filing deadline when the due date falls on a holiday observed by the federal Internal Revenue Service.

Effective Date: 91<sup>st</sup> Day After Adjournment – September 24, 2023\* \*Applies to tax years after January 1, 2023

## **BILLS THAT DID NOT PASS**

## **SB 56 — CAT Health Care Exemptions**

SB 56 included an exemption from taxable income under the CAT for public payer receipts and prescription drugs administered in office. The bill received significant discussion in the Senate Revenue Committee this session, with Chair Meek repeatedly naming it a priority. Ultimately due to union concerns, the bill did not advance this session. While the bill did not advance, significant bipartisan support remains for the concept. Sen. Meek, who chairs the Senate Finance and Revenue Committee, announced that there will be an interim workgroup on the issue, with the intent to bring a bill back in the 2024 Legislative Session.

## SB 140/HB 2073 — AMENDMENTS — CAT Modifications/Reform

Throughout the session, the Senate Finance and Revenue Committee explored proposals to exempt health care, pharmacy, and small businesses of a certain size (ranging from \$1.5M - \$5M in gross revenue thresholds). Those proposals received a bipartisan welcome; however, several Democrats conditioned support on the measure being revenue neutral – forcing the final bill to increase the CAT on larger businesses (over \$2M). An <u>amendment</u> proposing an exemption for medical provider reimbursements from public health insurers was considered and would have cost \$34.9 million, according to estimates from the Legislative Revenue Office, which is substantially less than the costs of the previous exemption proposals. Still, the progressive members of the committee insisted they could not support one-off exemptions or reductions in revenue from the tax. The committee committed to continue the discussion during the 2023 interim and return with a proposal in the 2024 session.

## **BILLS THAT PASSED**

## HB 2004 — Ranked Choice Voting

Establishes ranked choice voting (RCV) as the voting method to determine major political party nominations and election to the office of president and vice president of the United States, United States senator, representative in Congress, governor, secretary of state, state treasurer, Commissioner of Bureau of Labor and Industries (BOLI), and attorney general. Under a RCV system, voters mark their ballots for candidates in their order of preference. If necessary, candidates are eliminated to select one that captured more than 50% of votes cast. HB 2004A authorizes cities, counties, metropolitan service districts, school districts, and any local government and service district to use RCV to elect candidates for office and allows RCV to be used to nominate candidates for any partisan office.

# Effective Date: Proposes Ballot Measure in November 2024 Election; applies to the 2028 election cycle if approved by the voters

## **HB 2107 — Automatic Voter Registration**

Expands Automatic Voter Registration (AVR) to the Oregon Health Authority (OHA) as of June 1, 2026, from information provided to the Oregon Health Plan (OHP). In 2015 Oregon enacted the "Oregon Motor Voter," law to modernize the federal "Motor Voter Act" that required DMVs in most states to offer voter registration services, primarily by asking customers if they would like to register. Under Oregon Motor Voter, if a person is not already registered to vote, they receive a card and a pre-paid-postage return envelope from the Secretary of State Elections Division. This bill requires the secretary of state to establish by rule the schedule, format, and frequency for OHA to provide electronic records to the secretary of state containing the legal name, age, residence, and citizenship information and any electronic signature of each person who is eligible to be a qualified voter.

Effective Date: June 1, 2026

#### HB 3127 — TikTok Ban

Aligns Oregon with the federal government and 27 other states in prohibiting the installation and download of products controlled by hostile foreign governments on state-owned cell phones and computers, including the app TikTok. The state chief information officer will now adopt rules and processes for assessing whether corporate entities pose or do not pose a threat to national security and may designate additional apps or software to be banned on state devices. HB 3127 was one of the many bills that was agreed upon to end the Senate Republican walkout.

Effective Date: January 1, 2024

## **HRJ 16** — Impeachment Authority

Proposes an amendment to the Oregon Constitution providing a process for the impeachment of statewide elected officials of the Executive Branch by the House of Representatives and Senate for malfeasance in office, corruption, neglect of duty, or other high crime or misdemeanor. Oregon is the only state that does not include an impeachment process for the office of the governor and other state executive and judicial officers. HJR 16 requires a three-fifths majority vote of the House to deliver an impeachment resolution to the Senate and a two-thirds majority vote of the Senate for conviction. Additionally, the measure limits judgment to removal from office and disqualification from holding any other public office in state. The measure refers the proposed amendment to the voters for the 2024 general election.

## **Effective Date: Proposes Ballot Measure in November 2024 Election**

## SJR 34 — Independent Salary Commission

Proposes an amendment to the Oregon Constitution to establish the Independent Public Service Compensation Commission to determine salaries for specific public officials including the office of the governor, secretary of state, state treasurer, the attorney general, BOLI commissioner, Supreme Court judges and other court judges, state district attorneys, and state senators and representatives. The measure proposes the amendment to the voters for the 2024 general election.

**Effective Date: Proposes Ballot Measure in November 2024 Election** 

## **BILLS THAT DID NOT PASS**

## **HB 2003 — Campaign Finance**

Would have established limits on campaign contributions that may be accepted by candidates and Political Action Committees (PACs). Under the bill, a candidate would not have been able to accept more than \$1,500 from any one individual and \$10,000 per election from any one PAC. The bill also would have prohibited a candidate from accepting more than \$40,000 from a single political party caucus PAC.

## SJR 33 — Equal Rights Constitutional Amendment

Would have repealed Section 5a, Article XV of the Oregon Constitution, which is the constitutional policy of marriage as being between one man and one woman. The measure would have referred the proposed constitutional amendment to voters for the 2024 general election. SJR 33 was one of several bills that the Senate Republicans protested in their walkout this session. In the final deal between the Democratic and Republican leadership to provide quorum, it was agreed that SJR 33 would not advance this session and the bill was returned to committee.