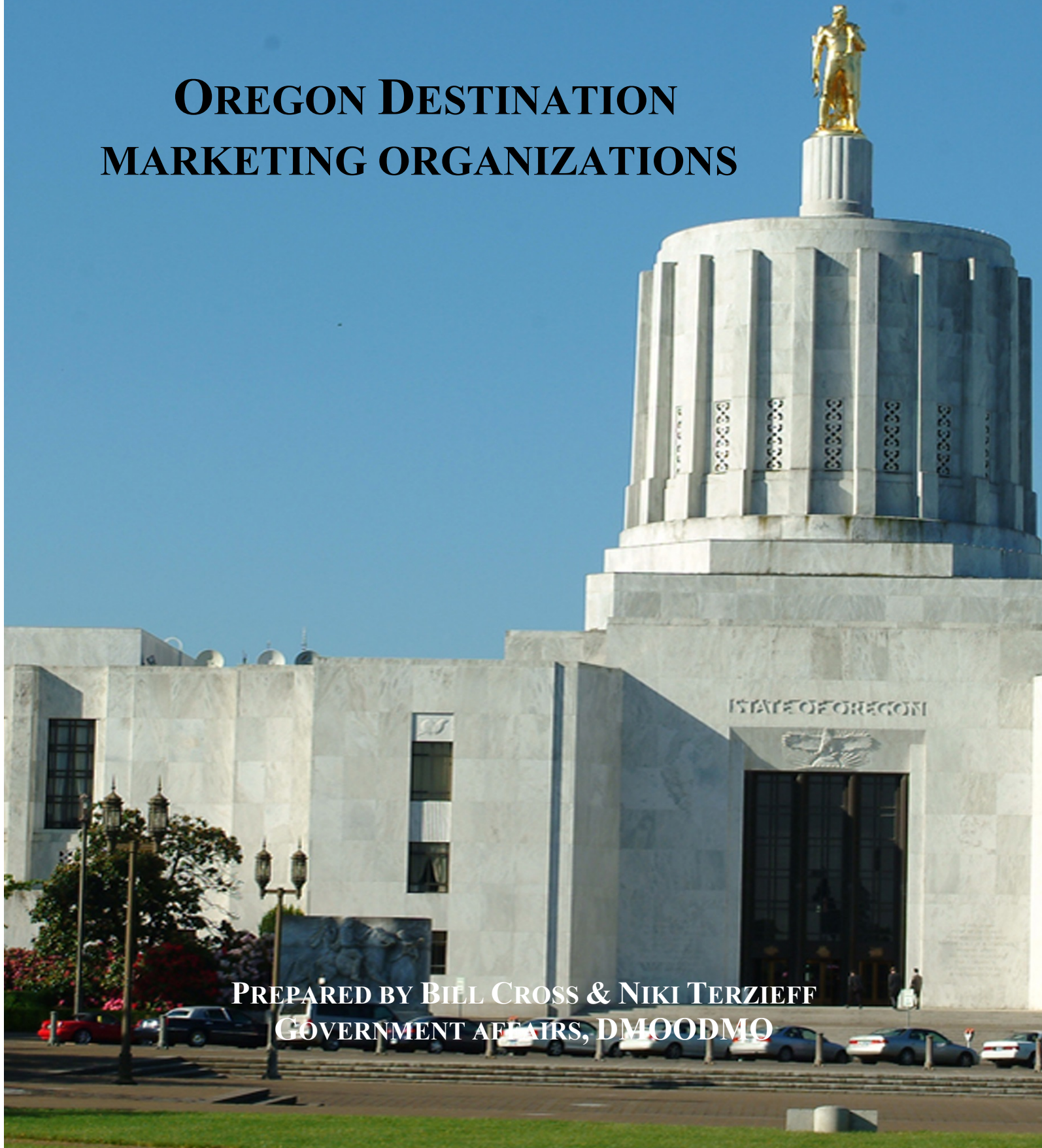


# 2017 LEGISLATIVE REPORT

## OREGON DESTINATION MARKETING ORGANIZATIONS



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## GENERAL SUMMARY

### “There Is Such a Thing as Cockeyed Optimism”

Just over a month ago, few thought it was possible. Long-time staff and the multitude of lobbyists in the Capitol thought there was only a slim chance. Once again, however, politics surprised and the 2017 Legislative Session adjourned prior to the constitutional deadline of the 10th of July... although just barely. The final gavel fell late on Friday afternoon, July 7, in the House of Representatives, as the leery and weary group of legislators mustered what excitement they could at the prospect of finally going home.

Regardless of what side of the aisle or the primary interests before the Legislature, many left the Capitol building disappointed, dismayed and even disaffected. Business interests felt that progressives had run rough-shod over their needs, while unions and social justice groups gasped at what little they believe they were handed. With nobody satisfied - and you can wager no legislative office left un-lobbied - some may say this was a dismal session. Some go so far as to say this was the most miserable session in recent memory. Some would call that true compromise<sup>1</sup>. We'll let you be the judge but regardless...it is deeply discouraging to see the diminishing sense of bipartisanship.

The Governor, facing her first organic election for her first full-term in the Executive Office in 2018, appeared to work hard at threading the needle. She seemed to pare down what she insisted on bringing home, particularly as the months wore on without movement on a tax-and-cuts package, transportation package, union priorities, clean air priorities and even her firearm reform proposal. Politically speaking, that may have been the only path she saw before her. Bringing elected officials back for a special session - or more likely a series of them - is not good for ratings. Cutting bait on some key issues, but managing the losses to message a win on others, however, is.

The Senate found their way out of the building hours earlier on the 7th, with a dignity that becomes the senior chamber. Spending six months fielding flaming arrows of progressive policy, the Senate found its main purpose this session in negotiating, stopping or trying to manage a loss on most legislation sent their way. Like so many other groups, anything they may

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<sup>1</sup>Political Negotiation: When nobody walks away with all they want or nobody leaves happy.

have passed proactively and sent over to the House for a vote was swiftly and decidedly redirected to one of two committees: House Rules or Ways & Means.

In a documented, dogmatic series of procedures, House Leadership parked hundreds of legislators' priority bills, bills that held promise and those that were threats (or both to a variety of stakeholders) in those two committees, in an effort to bring forth great change. This was the session to revamp our revenue system, institute comprehensive cost-cutting measures, pass a robust transportation package, save the environment, save jobs, end homelessness, feed the children, improve their schools, bolster the veterans, protect the elderly, create economic development, create more transparency and accountability, expand Medicaid services, end opioid addiction and keep guns out of the hands of those in crisis. And you know what? They did most of it, *kind of*. And balanced the budget, to boot, *at least for now*.

## **ODMO PRIORITIES**

This session found the ODMO Board of Directors and advocacy team working overtime to preserve the current limitations on the expenditure of local transient lodging taxes. In addition, ODMO worked with other organizations to secure passage of legislation providing immunity to employees and agents of property used for recreational activities. We tracked over 30 bills of interest and continued our vigilance regarding issues of concern to the hospitality and tourism industry.

### ***Here are the highlights of the 2017 Legislative Session:***

#### **Transient Lodging Taxes**

ODMO opposed a half-dozen bills introduced that would have significantly altered the current transient lodging tax policies. ODMO has successfully fought legislation the past 14 years that would erode the Tourism Investment Program, HB 2267, enacted by the Legislature in 2003. In addition to establishing a statewide room tax to fund Oregon's tourism marketing program, HB 2267 created a local transient lodging tax policy requiring that no less than 70% of new or increased local room tax revenues be dedicated for tourism promotion and tourism facilities.

Since many legislators in office now were not aware of the history behind HB 2677, the League of Oregon Cities, Association of Oregon Counties and other public entities were able to build legislative support for expanding the use of lodging taxes to include beautification and tourist amenities, maintenance of tourism-related facilities, parks and beaches, street improvements, public safety and affordable housing.

Along with the Oregon Restaurant & Lodging Association, ODMO helped legislators understand that the 2003 Legislative Assembly and the Governor had deemed the reinvestment of lodging tax revenues essential for economic growth and were to be used to generate additional lodging

stays where visitors spend money on accommodations, restaurants, retail shops, recreations and many other services. It was a deliberate strategy to stabilize local level tourism funding and to generate positive returns for Oregon communities and our association continues to believe that it is a critical component in the economy across the state. Local and regional tourism and hospitality organizations (public and private) collaborate with the state to maximize the economic benefit of these investments.

ODMO and ORLA testified at hearings held in both the Senate and the House on the various TRT bills. Hospitality industry members and representatives from DMOs across the state communicated their opposition to their legislators and the organizations' lobbyists worked with the Senate and House leadership and the Revenue Committee members to ensure that none of these bills made it out of committee for a floor vote. Those bills included: HB 2064, HB 2744, HB 2768, HB 3260, SB 457 and SB 745.

The only TRT-related bill that did pass was HB 2400 which authorizes any state agency or department to enter into agreements with any political subdivision for collection, enforcement, administration and distribution of local transient lodging taxes. The bill was the result of the HB 4146 Work Group that ODMO participated in during the 2016 interim to review lodging tax issues. HB 2400 allows the Department of Revenue to enter into information sharing agreements with local governments concerning transient lodging taxpayers to ensure compliance with the transient lodging tax laws. ODMO supported HB 2400.

### **Provides Recreational Immunity to Land Owners, Employees and Agents**

SB 327 modifies the definition of owner for purposes of civil liability related to land used by the public for recreational purposes. Introduced by a broad coalition of public and private organizations, ODMO supported this measure to restore Oregon's recreational immunity provisions which had been narrowed by a recent Oregon Supreme Court decision. As passed by the legislature and signed by the governor, "owner" includes the holder of any legal or equitable title and officers, employees, volunteers or agents of the land owners while these persons are acting within the scope of assigned duties. This bill helps ensure that public and private owners of land make their land available to the public for recreational purposes.

### **Greenlight Oregon Rebate Labor Program Extended**

HB 2244 was approved by the legislature and extends the sunset of the Greenlight Oregon Rebate Labor program from 2018 to 2024. The bill allows a rebate of up to 6.2% of payroll for businesses with at least \$1 million of production expenses in Oregon. The measure also expands the definition of "qualifying film production" to include one-time sporting events or groups of events "of national or international significance." ODMO supported this legislation.

## **OTHER ISSUES THAT ODMO FOLLOWED**

The Legislature passed several new laws effecting employers and employees. However, the measures were significantly modified by the time they were approved because of push back from

business and industry in the wake of legislatively approved minimum wage increases, mandated sick and family leave benefits the past two sessions. ODMO had no position of these bills but was monitoring them.

### **SB 828 - Predictive Scheduling**

Oregon became the first state to pass a statewide scheduling law. Starting July 1, 2018, employers will be required to post schedules seven days in advance, though enforcement won't begin until July 1, 2019. Beginning in 2020, schedules must be posted 14 days in advance. The bill applies to retail, food service and hospitality employers with more than 500 employees worldwide. The bill allows employers to develop a "voluntary standby list" for employees who agree to work on short notice.

### **HB 2005 - Pay Equity**

The measure extends equal pay provisions to people in the following protected classes: race, color, religion, sex, sexual orientation, national origin, marital status, disability, age and veteran status. HB 2005-B prohibits an employer from using salary history to screen applicants or to determine compensation or from acquiring the salary history of an applicant or employee from a current or former employer. It does not prohibit an applicant from disclosing salary history when negotiating compensation.

The measure expands administrative and judicial remedies for pay equity violations and retaliation for wage inquiry or wage claim to include compensatory and punitive damages and jury trial. Under HB 2005-B, employers may file a pre-trial motion to preclude compensatory and punitive damages if the employer can demonstrate that it has completed an equal pay analysis in the three years preceding the claim, eliminated pay differentials for the plaintiff and made reasonable substantial progress toward eliminating the wage differentials for the protected class asserted by the plaintiff. The provisions go into effect January 1, 2019.

### **HB 3458 – Overtime**

The measure sets clear standards for manufacturing overtime and also established limits for how many hours employees can be required to work. The bill only applies to manufacturing employers so landscape contractors will not be impacted.

### **Travel Information Council Modifications**

HB 2325 modifies the initial terms of office for members of the Travel Information Council so that no more than two terms expire on the same date. It also provides statutory authority for the Council to hire and supervise the OTE executive director.

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