



## OREGON STATE REPRESENTATIVE

### NEWS FROM PAUL HOLVEY

Dear Friends,

On March 3<sup>rd</sup> the 2016 Legislative Session adjourned, and despite the constraints of a 35-day session we achieved some significant accomplishments. I am exceedingly proud of the landmark minimum wage increase, community solar, and extending unemployment insurance to locked-out workers. This newsletter highlights details of those bills, as well as other important pieces of legislation.

If you would like further information or bill text, click on the link/bill number to be redirected to the Oregon Legislative Information Site (OLIS) where all materials, hearings and iterations of the bill can be accessed.

Finally thank you to everyone who called, emailed, or visited me in the Capitol this last session – I can't tell you how important it is to hear what you think. Please do not hesitate to contact my office at (503) 986-1408 or [rep.paulholvey@state.or.us](mailto:rep.paulholvey@state.or.us)

It is an honor and privilege to serve the people of House District 8.

Respectfully,

Paul Holvey  
Oregon State Representative  
District 8

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### **Raising the Minimum Wage - SB 1532**

For over 30 years, wages for most workers have stagnated even while productivity and CEO salaries have soared, crippling our middle-class economy. Too many parents are working full time—sometimes at multiple part-time jobs—and are still unable to make ends meet. Too many workers are paid so little that they have to depend on public assistance just to get by, costing taxpayers nearly \$2 billion every year—even while many employers make record profits.

Tax reform to help address income inequality has not happened and Oregon does not have the revenue to subsidize these basic needs working Oregonians deserve. For the middle-class American dream, this lopsided economy has become an existential crisis. I'm proud to say that this year, the Oregon Legislature voted to begin tackling this problem head on by raising Oregon's minimum wage.

While this historic minimum wage bill passed during the 2016 legislative session, the work to shape it began more than a year ago when several bills were introduced for consideration in January 2015. And despite uninformed claims and false assumptions about the process leading up to this year's vote, the effort to craft this proposal was thorough, measured, and took into account feedback from the public, business organizations, labor unions, advocacy groups, political parties, legislators, and economists. In fact, over the course of the past year, we held 10 public hearings on raising the minimum wage, adding up to about 30 hours of public testimony from all sides on the issue.

The concepts that emerged from the workgroup and the public hearings informed Governor Brown's initial proposal in January of this year. After more input from all sides, Senate Bill 1532 came forward with provisions addressing feedback from business groups and rural legislators in two key ways.

First, we phased in the wage increases gradually over seven years—between this July and July 2022—in order to provide certainty and stability for employers and give them time to plan for the increases. This ramp up is much slower

than many of the other concepts that were floated, namely the \$13.50 and \$15 ballot measures that were moving forward.

Second, rather than having one minimum wage rate for the entire state, Senate Bill 1532 establishes a regional system with three wage levels to reflect different local economies and costs of living. This is an innovative approach to raising the minimum wage that could be emulated across the country.



Senate Bill 1532 is a three-region minimum wage measure that phases in increases in the state minimum wage over six years. Arriving at \$14.75 in the Portland metropolitan area, \$12.50 in rural counties and \$13.50 in the Willamette Valley Northwest Oregon, as well as Jackson, Josephine, Deschutes, Wasco and Hood River counties.

	Region 1	Region 2 (base)	Region 3
July 2016	\$9.50	\$9.75	\$9.75
July 2017	10.00	10.25	11.25
July 2018	10.50	10.75	12.00
July 2019	11.00	11.25	12.50
July 2020	11.50	12.00	13.25
July 2021	12.00	12.75	14.00
July 2022	12.50	13.50	14.75
July 2023	Base - \$1.00	+ CPI	Base + \$1.25

Region 1: Malheur, Lake, Harney, Wheeler, Sherman, Gilliam, Wallowa, Grant, Jefferson, Baker, Union, Crook, Klamath, Douglas, Coos, Curry, Umatilla, Morrow

Region 2: Benton, Clackamas, Clatsop, Columbia, Deschutes, Hood River, Jackson, Josephine, Lane, Lincoln, Linn, Marion, Multnomah, Polk, Tillamook, Wasco, Washington, Yamhill

Region 3: Metro Area UGB

**Community Solar, Increasing RPS and the End of Coal-Fired Electricity – SB 1547 and SB 1572**

Another major piece of legislation was SB 1547, moving electricity generation in Oregon away from coal by 2035 and doubles the Renewable Portfolio Standard for large utilities to 50% by. With its passage Oregon will become the first U.S. state to quit coal, eliminating the use of coal-fired power by 2035. SB1547 also establishes a program for small scale community renewable projects, and incentivizes development of electric vehicle infrastructure throughout the state. This is particularly important as we strive to address the threat of climate change. I believe that after much work in the session this bill strikes a good balance between phasing in clean energy sources for Oregon’s electricity supply while taking into account the needs of rate-payers.

**Community Solar – SB 1572** Incorporated within the Coal to Clean/RPS increase was SB 1572, a bill that allows Oregonians to participate in the development and proportionately own part of a community solar project. This is an endeavor that I have been working on with Senator Beyer and solar advocates for several sessions. Now retail customers are able to subscribe to electricity generated by a community solar facility as an alternative to a private on-site solar installation program or purchasing utility scale solar energy. The renewable electricity is purchased by the utility and the subscriber then receives a credit on their electricity bill based on that generation, (minus some costs and other potential adjustments) just as if it were on their own roof.

Community solar gardens provide customers who otherwise can't afford, rent their homes or don't have the desire/ability to maintain solar panels on their roof access to renewable solar energy. Community solar represents fair access to Oregon ratepayers interested in participating in the costs and benefits of solar power, in addition to a smart and economically efficient means to enabling renewable energy development and generation in the state. Unlike the rest of SB1547 all community solar projects must be built in Oregon, strengthening our local economies, creating jobs and putting us on a path to meet renewable goals.

### **Labeling of Genetically Engineered Fish; especially Salmon - HB 4122**

HB 4122A would have required the labeling of Genetically Engineering Fish that are sold in the marketplace.

I believe that Oregon has a substantial state interest in ensuring that consumers are fully informed about the fish they purchase for consumption. Without labeling laws Oregon consumers will be unable to tell whether they are buying wild caught or farmed fish from the North West vs Genetically Engineered fish that feel may pose a potential threat to health, the environment and Oregon's fishing industry.

In November the FDA approved the sale of GE salmon, the first Genetically Engineered animal that has been approved for consumption. These are Atlantic Salmon that have Ocean Pout genes, allowing them to grow faster and bigger. In December (through HR 2029) the FDA was tasked with creating labeling guidelines but even if these guidelines are ever created the requirement could still end in the fall of 2016. In the meantime many major grocery chains such as Costco, Safeway, Whole Foods and many others have already pledged to not carry GE Salmon.

Originally HB 4122 was introduced as a bill to allow local authority to address concerns about the protection of conventional and organic crops from contamination from nearby GMO crops. We could not get the support to move the bill out of committee and then offered an amendment to replace the concept with a labeling requirement for genetically engineered fish. Though the bill appeared to have enough votes to pass the Senate, Senate leadership would not bring the bill forward for a vote. Its main opposition was the Farm Bureau, Oregonians for Food and Shelter and Aqua Bounty. It was supported by Oregon Right to Know, the Oregon Salmon Commission, the Confederated Tribes of the Grand Ronde, Trout Unlimited, Center for Food Safety, Oregon Environmental Council and others. It is disappointing with all that support that the bill was blocked. We are also closely following Federal efforts such as the Dark Act to preempt state labeling.

### **Extending Unemployment Insurance for Locked-Out Workers- HB 4086**

HB 4086 extends unemployment insurance to workers who are locked-out as a result of a labor dispute. The legislation was introduced after Allegheny Technologies Inc. locked out members of the United Steelworkers in August of last year. Nearly 200 Steelworkers have been locked out of their worksite at the ATI plant in Albany due to a multi-state labor dispute. Recently their six months of unemployment benefits ran out, leaving these workers and their families without a safety net.

Many of the affected workers came to Salem in early February to tell their stories of hardship to the House Committee on Business and Labor. *(pictured right)*



The Oregon House voted 49-9 to extend unemployment benefits for locked out workers from six months to 12 months. House Bill 4086 will give these workers—and workers like them in the future—a full year of benefits while the labor dispute is negotiated.

### **SB 1587 - Wage Transparency**

SB 1587 is intended to address bad actors who do not pay their employees as required by law. Wage theft is damaging to employees and unfair to the employers who play by the rules. There is more that can be done to address wage theft, but SB 1587 is a step in the right direction.

Current law requires paystubs to show the amount and purpose of payroll deductions. This measure specifies that the paystub include specific information regarding the employer, the payroll period, the rate of pay, the basis of pay (e.g., hourly, shift, salary, piece rate, commission), overtime hours and overtime rate of pay, and specifics on piece rate.

SB 1587 prohibits contractors or subcontractors from intentionally failing to pay prevailing wage rate or taking other actions to avoid the cost of prevailing wage rate. Punishes violation by maximum of five years' imprisonment, \$125,000 fine, or both. Victims of wage theft can be some of the most vulnerable workers in Oregon.

Current law allows the Wage Security Fund be used only for paying wage claims against an employer who has gone out of business and lacks the assets to pay wages. The Fund has a balance of approximately \$8.3 million. The measure increases BOLI's expenditure limitation for the 2015/17 biennium by \$325,954. With this increase, BOLI anticipates hiring 3 people to investigate and enforce claims of underpaid and unpaid wages.



Finally SB 1587 also requires the employer to maintain time and pay records of employee for not less than period required by Fair Labor Standards Act (depending on the record, this is a period of 2 or 3 years) and allows an employee to receive a certified copy of time and pay records within 45 days of request. I am proud to stand with workers to make sure they receive the compensation for their work that they deserve.

### **Inclusionary Zoning - SB 1533**

One of the major priority for the legislature was to address our statewide housing crisis. SB 1533 ends statewide bans on two affordable housing tools, inclusionary zoning and construction excise taxes.

Inclusionary zoning is a market-based, land-use housing policy that allows cities to require affordable units be built alongside market-rate housing in order to better meet the needs of their residents. In the past state law has prohibited local governments from requiring that residential projects include affordable housing. SB 1533 relaxes this prohibition by allowing local governments to require that up to 20 percent of a multifamily structure be affordable. In addition to providing an inclusionary zoning framework for local governments, the bill requires that revenue from any new construction excise taxes will support affordable housing. Every Oregonian should be able to afford a decent place to live and this legislation will help local governments meet their responsibility to ensure more Oregonians have access to affordable housing

### **Tenant Protections - HB 4143**

Many Oregonians who work full time still can't keep up with rapidly increasing rents. House Bill 4143 prohibits landlords from increasing rent during the first year of occupancy and requires them to give at least 90 days' notice before increasing rent after the first year of tenancy for month-to-month tenants. Approximately 40 percent of Oregonians are renters. In today's tight rental market, renters face a real threat of homelessness if they can't afford a sudden unexpected increase in their monthly housing costs. By stabilizing rent within the first year of a tenancy and providing more notice for tenants in month-to-month rental agreements House Bill 4143 will allow individuals and families reasonable time to plan around their housing expenses.

### **Affordable Housing - SB 1582**

In the 2015 legislative session, we authorized \$40 million in general obligation bonds to fund affordable housing development projects statewide, but did not establish program parameters. With bonds scheduled to be issued in the spring of 2017, Senate Bill 1582 sets forth clear guidelines to ensure that bonding dollars are invested wisely.

SB 1582 specifies how Oregon Housing and Community Services (OHCS) will comply with the requirement of general obligation bonds and outlines program goals and project selection standards including priorities to contain costs, maximize the number of units created and protect units for long-term affordability. The program places specific emphasis on reaching historically underserved communities. Housing stability is crucial to individual and family stability. SB 1582 will help ensure that the significant investment made by the Legislature in 2015 is spent to meet the housing needs of Oregonians across the state.



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Together we can build a stronger future for Oregon



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