

Capitol Comments



The Voice of Oregon Banking

A STATE GOVERNMENT AFFAIRS REPORT

Capitol Comments | July 2, 2019



Sine Die at Last... Oregon Legislature Adjourns 2019 Session

On Sunday afternoon, the 2019 Oregon legislative session came to an end as the legislature adjourned *Sine Die*. Legislators, who closed out the session on the last day permitted by the Oregon Constitution, now head home after five and a half long and often contentious months in Salem.

The 2019 session will likely be remembered for an array of controversial bills and political fireworks. Legislatively, the session was dominated by a number of bills advanced by the Democrat supermajorities in each chamber. These bills addressed statewide rent control, paid family leave, employer mandates, limits on single family zoning, and bills related to the state budget, to name just a few. Perhaps no bills received as much attention this session as the corporate activity tax, [House Bill 3427](#), and the “cap-and-trade” bill, [House Bill 2020](#).

Regular readers know the corporate activity tax, signed by **Governor Kate Brown** in May, raises more than \$2 billion in new revenue from businesses in the State of Oregon. The bill passed on party-line votes in the House and Senate without Republican support. During the bill’s hurried adoption, the OBA identified technical flaws in the language related to banks and sought corrections. OBA was successful in obtaining some technical amendments to House Bill 3427 in a separate bill – [House Bill 2164](#) – that passed at the end of session. The Oregon Department of Revenue will craft administrative rules related to the new tax in the coming months. We will be in touch during the rulemaking process.

House Bill 2020, like House Bill 3427, captured a great deal of attention throughout the session, especially during the last two weeks. Unlike, House Bill 3427, House Bill 2020 died in part because Senate Republicans left the state in the waning days of the session to prevent a quorum. This action by the Republicans was controversial and garnered national attention. With Republicans denying a quorum and Senate Democrats unable to muster the necessary 16 votes to pass the bill, it died. This paved the way for Senate Republicans to return to complete the legislature’s work this past Saturday.

As previously reported, OBA’s pro-active agenda produced mixed results this session. On the positive side, [Senate Bill 109](#), allowing non-licensed and licensed appraisers to perform property valuations for banks in conformance with federal guidelines, was signed by **Governor Brown** on May 20 and becomes effective on January 1, 2020.

Two other OBA bills, despite strong starts, were caught up in politics and died at the May deadlines. [Senate Bill 380](#), which would have prohibited county recorders from bringing lawsuits against banks over recording fees they did not earn on assignments that were never recorded, was not permitted to have a hearing in the House and died for the second straight year. This fate in the House was despite the bill receiving unanimous support in the Senate. [House Bill 2474A](#), concerning grand jury subpoenas and banks, was also caught in a political battle. It died in the Senate Judiciary Committee, along with several other bills, with district attorneys on one side and criminal defense attorneys and the ACLU on the other side. The chair of the committee indicated that an interim work group will be formed to discuss OBA’s bill and others that did not move this session.

Overall, OBA’s government relations team was successful in stopping or substantially modifying a number of bills that would have adversely impacted banks and/or their customers. Among these bills were proposals to create public banks; require banks to provide unnecessary notices when closing accounts; create onerous new requirements for banks related to abandoned properties, the vast majority of which are not actually owned by banks; mandate data related disclosures; and require that corporations file and make public tax disclosure statements. In all, more than 2,800 bills were introduced during the session, down slightly from more than 3,000 bills that are usually introduced during an odd-year session. Bills passed in the waning days of the session now go to Governor Brown for her signature.

As always, thank you to all the bankers who helped us during the session. Whether it was serving on a committee, testifying before the legislature, contacting a legislator, or letting us know the benefits or concerns your bank had with a particular piece of legislation, we truly appreciate your help.

If you have questions about the 2019 Oregon legislative session or specific bills, please contact OBA's Vice President and Government Affairs Director Kevin Christiansen at kchristiansen@oregonbankers.com or (503) 576-4123.

Final Top 20

Click the link above to review our updated and final "Top 20" list of bills from the 2019 Oregon legislative session. The list is made up of those bills that have the most significant impact on the banking industry. Bills that passed during the session are marked as "enrolled". Those that did not pass are marked "dead". Other bills on the list are awaiting the Governor's signature, which will likely take place in the coming days.

If you have questions about a particular bill, contact OBA Vice President and Government Affairs Director Kevin Christiansen at kchristiansen@oregonbankers.com or (503) 576-4123. To find out if a particular bill passed this session, click [here](#) to link to the bill.

OBA Plans Post-Session Digest and In-District Visits with Legislators

As the 2019 Oregon legislative session winds down, OBA has begun preparing our legislative digest highlighting the bills impacting the banking industry that passed during the session. In addition to the digest, we will hold meetings around the state with bankers to discuss bills that were enacted during the session and to meet with local legislators to hear their perspective on the session and expectations for the future. OBA held similar meetings in 2017 following the legislative session. Stay tuned for more information about the 2019 legislative digest and in-district meetings with legislators.

BankPAC Needs Your Help: Session is Over and Campaigns are Set to Begin

It sounds odd, but with the Oregon legislative session ending, the 2020 election cycle in Oregon is already upon us. Legislators and aspiring candidates are set to begin what will be a crucial election cycle for Oregon.

We need the help of all Oregon bankers this election cycle. In particular, we need Oregon bankers to step up and give to Oregon BankPAC so the voice of Oregon banking is heard during election season. Having spent down the Oregon BankPAC fund during the November 2018 elections, our industry must rebuild our PAC balance for the 2020 cycle. It is critical that we support elected leaders who will in turn support a healthy Oregon business climate. After all, a thriving business community provides jobs for families, pays taxes for better schools, improves access to health care, and grows our state's economy. Moreover, by giving to BankPAC, you may be eligible to take advantage of the Oregon Political Tax Credit.

You can make a personal contribution to Oregon BankPAC online through OBA's secure website. Simply click the *Online Contribution* button at the following [link](#) to donate. If you prefer to make your contribution by check, click [here](#) to access a "fillable" contribution form. Please send your completed form, along with your contribution, to Oregon BankPAC at PO Box 13429, Salem, OR 97309.

Political Odds and Ends

To close, here are some political odds and ends:

- **Denyc Boles** (R-Salem) was sworn-in Friday to complete the term of **Senator Jackie Winter** (R-Salem) who passed away in May. Senator Boles will face election in November 2020. Click [here](#) for a story on Boles' swearing-in.
 - The 2019 session was the first time since Oregon voters approved limits to the length of legislative sessions (in 2010) that lawmakers worked until the last possible day. The session adjourned approximately six and a half hours prior to the constitutional deadline.
 - "Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly, and applying the wrong remedies." -*Groucho Marx*
-

Capital Comments is OBA's electronic publication focused on state legislative and regulatory news and issues impacting Oregon banks. Please note this is a members-only publication containing confidential information and viewpoints. Distribution of this publication without the express written permission of the OBA is prohibited.



www.oregonbankers.com
(503) 581-3522

[Unsubscribe or update your email address.](#)

PO Box 13429 | Salem, OR 97309