

**Association of Oregon Counties  
Legislative Committee**

**Monday, May 16, 2011  
12:00 p.m.**

**Local Government Center  
Salem, Oregon**

*Present: President Janet Carlson, Judge Pat Shaw, Judge Jeanne Burch, Commissioner Dwight Ellis, Commissioner Jay Dixon, Commissioner Kathy George, Commissioner Leslie Lewis, Commissioner Linda Modrell, Commissioner Mark Labhart, Commissioner Greg Malinowski, Commissioner Bill Hansell, Commissioner Tony Hyde, Commissioner Charlotte Lehan, Commissioner Sam Brentano, Commissioner Annabelle Jaramillo, Judge Gary Thompson, Commissioner Earl Fisher, Commissioner Bill Hall Commissioner Craig Pope, Commissioner Al Switzer, Commissioner Charlotte Lehan, Treasurer Laurie Steele, Administrator Ralph Wyatt*

*Via telephone: Commissioner Mary Stern, Judge Steve Grasty, Commissioner Patricia Roberts, District Attorney Eric Nisley, Public Works Director Robb Paul*

*Guests: Commissioner Cheryl Hukill, Lisa Naito, Jim McCauley, Gillian Wesenberg, Barb Young, Troy Rayburn, Jared Anderson, Nancy Bennett, Greg Wolf, Bill Thomas*

*Staff and consultants: Mike McArthur, Paul Snider, Mike Eliason, Gil Riddell, Ann Hanus, Emily Ackland, Mark Nystrom, Eric Schmidt, Laura Cleland, Cara Fischer, Joann Hendrix, Caroline Moore*

President Janet Carlson called the meeting to order at 12:00 p.m.

***Agenda***

**Commissioner Bill Hansell moved approval of the agenda for Monday, May 16, 2011, seconded by Administrator Ralph Wyatt. Motion carried.**

***Special Operations Committee minutes/Legislative Committee minutes***

**Commissioner Hansell moved approval of the Special Operations Committee minutes for March 30, 2011, the Legislative Committee minutes of March 14, 2011, April 11, 2011 and May 2, 1011, seconded by Commissioner Annabelle Jaramillo. Motion carried.**

***Governor's Office***

Greg Wolf reported that the Governor's office has been working on establishing the Regional Solutions Team. The Regional Solutions Team centers will be located at Tillamook Community College, University of Oregon, Southern Oregon University, OSU-Cascades Campus, Eastern Oregon University and Portland State University.

Mr. Wolf commented that if needed in the future other agencies would be added to the team. An advisory committee is being formed to include AOC and LOC to help identify regional priorities.

### ***Budget Forecast***

Tom Potiowsky, state economist with the Oregon Office of Economic Analysis, reviewed the 2011 Economic and Revenue Forecast. A copy of the analysis is located at the Office of Economic Analysis website <http://oregon.gov/das/oea> and in AOC Legislative Committee records.

### ***Action or Possible Action Items***

#### **National Forest Land Management Rule**

Gil Riddell reported that the U.S. Department of Agriculture has issued proposed new rules to guide land management planning by the U.S. Forest Service on national forests. There are 11 national forests in Oregon comprising 14.3 million acres in 31 counties. The economic, environmental and social health of many communities depends on management of national forests.

Previous attempts to amend the procedurally burdensome 1982 rules have failed. The U.S. Forest Service has provided extensive outreach during this current process. Comments are due May 16, if AOC wishes to weigh in, it must act on these comments today.

The draft comments are guided by AOC Public Lands & Natural Resources principles, conversations with other stakeholders and on-the-ground experience.

On May 2, the Legislative Committee reviewed the draft comments. The Legislative Committee provided suggestions for improvements. The Public Lands & Natural Resources Committee has approved the latest draft comments (dated 5-3-11).

**Commissioner Mark Labhart moved to adopt draft comments on the rule as those of AOC, seconded by Commissioner Craig Pope. Motion carried. Robb Paul abstained.**

#### **HB 2337**

Mr. Riddell reviewed HB 2337, which addresses the controversial issue of using dogs to hunt cougars.

HB 2337 permits a county governing body to request inclusion into a pilot program for select cougar management zones in which dogs may be used to hunt or pursue cougars. The county governing body requests inclusion by adopting a resolution, documenting the need by identifying the extent of cougar conflicts, and demonstrating that existing cougar management actions have not been sufficient to manage cougars in the county. The Department of Fish & Wildlife is to establish the pilot program by rule.

The bill requires a 2/3rds vote in each chamber to pass, because it reduces a criminal sentence (another policy established by initiative). On April 20, the House passed the bill 45-14. It is now in the Senate, where it is less likely to pass.

Given the controversial nature of this subject, staff requests direction whether to weigh in, and if so, for, against or neutral.

**Commissioner Tony Hyde moved to approve the Public Lands and Natural Resources steering committee's recommendation to support HB 2337, seconded by Commissioner Pope. Motion carried. Mr. Paul abstained.**

***HB 3613-A***

Mr. Riddell reviewed HB 3613-A, which provides that the Oregon Department of Agriculture (ODA) water quality program is the exclusive means to protect and improve water quality through agricultural activity regulations, regarding nonpoint sources of pollution on lands outside an urban growth boundary.

HB 3613-A clarifies the jurisdiction of ODA under its Agricultural Water Quality Management Program, originated by SB 1010 (1993). The program is outcome- and condition-based, without mandatory setbacks or permitting. Plans for all 39 basins have been in place for the last four years. The program's design makes it difficult to quantify improvements on the land, but it does recognize the geologic and commodity diversity of the state.

Recent water quality standards adopted by the Department of Environmental Quality have put more pressure on point sources of pollution. As a consequence, some representatives of point sources, such as the League of Cities, and environmental groups are urging a more demanding approach to non-point source lands and have testified against HB 3613-A.

On April 27 HB 3613-A was reported out of the House Transportation & Economic Development Committee 'do pass.' If it passes the House, it likely will be referred to the Senate Environment & Natural Resources Committee.

The ODA program is not perfect, but fits the geologic, cultural and commodity diversity of agricultural lands in the state. Mr. Riddell commented that League of Oregon Cities may submit amendments to the bill but have not officially done so at this time. This bill was discussed by the Public Lands & Natural Resources and Environment & Energy steering committees both requesting support of HB 3613-A.

**Commissioner Earl Fisher moved to approve the Public Lands and Natural Resources and Environment & Energy steering committees recommendation to support HB-3613-A as it stands but not support any additional amendments, seconded by Judge Gary Thompson. Motion carried. Mr. Paul abstained.**

***HB 3137***

Mr. Riddell reviewed HB 3167, which would eliminate the three percent discount for partial or full payment of property taxes on or before November 15. He stated that the bill is from Co-chair Arnie Roblin's office exploring the concept that might help mitigate the Secure Rural Schools funding concerns.

The House Revenue Committee is considering HB 3167, which could raise \$250 million per biennium in local revenues, much of which would go to k-12 schools (roughly 42 percent), but some of which would go to counties (roughly 19 percent). Because revenues are local, this bill

can pass on majority, rather than super-majority, vote. More local revenues to schools reduce the burden on the state's School Fund. There could also be discussions about reducing the discount to two or one percent.

Mr. Riddell stated that the county tax collectors support this bill. County Administrator Ralph Wyatt stated that the administrators have not reviewed so have no recommendation at this time.

**Judge Pat Shaw moved to support HB 3167 that would eliminate the three percent discount for partial or full payment of property taxes on or before November 15, seconded by Commissioner Jay Dixon.**

Discussion ensued regarding the administrative burden on tracking individual tax payments. If no incentive to pay in November than majority of payments will be made in May causing financial burden for counties.

Nancy Bennett, Multnomah County, stated that it is in support of the bill. She said that Multnomah County believes that the additional income to the county outweighs the administrative burden.

Commissioner Patricia Roberts asked if anyone has researched not just the cash flow issue but keeping track of who pays taxes yearly vs. quarterly, etcetera. Treasurer Laurie Steele said that if tax payments were not made until May the counties would have to extend their borrowing timetables for cash flow.

**Vote was taken on the motion. Motion failed to reach the required two-thirds majority. Mr. Paul abstained.**

**Commissioner Hyde moved to remain neutral on HB 3167, seconded by Judge Thompson. Motion carried. Judge Shaw, Commissioner Sam Brentano, Commissioner Roberts, Commissioner Hansell, Commissioner Mary Stern and District Attorney Eric Nisley opposed. Mr. Paul abstained.**

**Commissioner Stern moved to reconsider the motion, seconded by Mr. Wyatt. Motion failed.**

### ***HB 2566***

Mr. Riddell reviewed HB 2566, which is a property tax exemption for tribal land used for governmental service. He stated that at its March 14 meeting, the Legislative Committee directed staff to negotiate with Oregon tribes on their bill to exempt from property taxes land used for governmental services. The goal is to limit the exemption to that which is received by the state and local governments.

Mr. Riddell negotiated parallel language to section (3) of what state and local government follows. The amendment is: "(3) As used in this section, "government services" means the provision of services by an Indian tribe related to tribal administration, tribal facilities, fire, police, tribal health facilities, education, sewer, water, environmental and fish and wildlife

management and restoration activities, land use, transportation, low-income housing, utility services, lands purchased specifically for archaeological protection or ceremonial cultural sites, cemeteries and the exercise of rights derived from intergovernmental agreements and state and federal laws."

HB 2566 as written very broadly defined the term "governmental services." Because of the evolution of Oregon statutes, there is no simple way to define parallel exemptions for tribes and other governments. The negotiated definition by necessity focused on details.

Discussion ensued with several commissioners stating concerns. Commissioner Pope said this might encourage acquisition of land against the trust land process.

**Commissioner Hyde moved to oppose HB 2566 in current form with amendments, seconded by Judge Shaw. Motion carried. Commissioner Stern, Commissioner Jaramillo opposed. Mr. Paul abstained.**

### ***HB 3086-1***

President Carlson advised that the Human Resources Committee approved support of HB 3086-1 with the following amendments:

- Request report back from counties to the legislature and require state to consider the local rule on early learning.
- No sunset of the local commission statutes.
- Bill to include the provision that system is voluntary for families.

President Carlson advised that the Legislative Committee adopted the Children and Families Task Force Committee's report and recommendations. The task force supported the concept of early learning but some concerns were raised on the role of local commissioners and making sure that county systems would be preserved.

**Commissioner Bill Hall moved to support HB 3086-1 with the Human Resources Committee amendments (above), seconded by Commissioner Kathy George. Motion carried. Commissioner Jaramillo and Mr. Paul abstained.**

### ***HB 3650-4***

On behalf of the AOC Human Services Committee Mark Nystrom presented HB 3650, the health transformation bill. Counties, as the mental health and public health authorities, could be greatly impacted by changes caused by the bill. The vision is to bundle all Medicaid-provided services into one pool and have these funds managed by a Coordinated Care Organization (CCO). Counties' role in governance and service delivery is still being debated; AOC has been an active participant in these conversations.

The Human Services Committee strongly supports the language in the current bill. The most important concern to the counties is that the Oregon Health Authority builds a system of care that recognizes the counties' responsibilities for the uninsured, the county role in maintaining the mental health crisis safety net and addressing the needs of the seriously and persistently

mentally ill. When the CCOs are created and funded, counties will still be responsible for the total population in their communities and for the population that is in and out of the state hospital because of persistent and serious mental health issues. Counties will continue to be responsible for the intersection of mental health, the criminal justice system and the child welfare system. These responsibilities need to be formally linked to the new system and funded appropriately.

The Human Services Committee urges all commissioners and county judges to call their legislators and give them these messages:

HB 3650, as introduced, contains language in sections 4 and 22 that *must be retained in order to protect safety net mental health and public health services*:

- Oregon counties believe that as the Oregon Health Authority builds a system of care it must recognize the counties' responsibilities for the uninsured and the county role in maintaining the mental health crisis safety net and addressing the needs of the seriously and persistently mentally ill.
- When the CCOs are created and funded, counties will still be responsible for the total population in their communities and for the population that is in and out of the state hospital because of persistent and serious mental health issues.
- County government will continue to manage the intersection of mental health, the criminal justice system and the child welfare system. These responsibilities need to be linked to the new system and funded appropriately.

**Commissioner George moved to support HB 3650-4 with amendments, seconded by Commissioner Hall. Motion carried. Mr. Paul abstained.**

### ***Priority items from committees***

#### **Human Services**

Commissioner Hall stated that the potential impact to the Temporary Assistance for Needy Families (TANF) cuts in the Governor's recommended budget would take eligibility down from 60 months to 18 months. Human Services Committee did not recommend an AOC position on this issue but did ask that information sheets from the TANF Coalition be sent to commissioners with a chart on the number of people receiving benefits in each county and a copy of the resolution released by Multnomah County opposing the proposed cuts. The Human Services Committee urges counties to contact legislators regarding these cuts and how they will affect constituents.

#### **Public Safety Committee**

Commissioner Jay Dixon reported on HB 2710 regarding revising laws relating to court fees and county authority. Mr. Dixon said the current bill as written would not allow counties to set fees. Public Safety Committee agrees that HB 2710 should restore county authority to set fees by following statute.

**Commissioner Dixon moved to support HB 2710 with amendments to strike the provisions that removes county authority to set mediation and conciliation fees,**

**seconded by Commissioner Earl Fisher. Motion carried. Treasurer Steele and Mr. Paul abstained.**

### ***Discussion and Updates***

#### **NACo 2011 Annual Conference**

Commissioner Hansell reported Oregon counties have contributed \$28,000 to the NACo 2011 Annual Conference with another \$19,500 yet to be collected.

### ***Steering Committee Reports***

#### **Communications Policy**

Judge Jeanne Burch reported that the Oregon Telecommunications Citizens Utility Board is working on a program to allow you to choose your own personal phone services and rate. Money for this project is being donated from mitigation money from QWEST. The committee discussed the Oregon State Radio Project, which has replaced the disbanded Oregon Wireless Interoperability Network (OWIN) project. The committee received a presentation on the new AOC communication system.

**Community Development** - no report

**Environment and Energy** - no report

**Governance Committee** –no report

**Human Services** - no report

**Public Lands** – no report

**Public Safety** - no report

**Transportation** – no report

**Water Policy** - no report

### ***Affiliate Organizations Reports***

**Assessors** – no report

**Clerks** – no report

**County Administrators** – Ralph Wyatt reported that administrators discussed with AOC staff HB 3650 regarding the Oregon Integrated and Coordinated Health Care Delivery System and SB 41 concerning public records.

**District Attorneys** – District Attorney Eric Nisley said D.A.s continue to present ideas and concepts to save money for the state.

**Engineers and Surveyors** – no report

**Justices of the Peace** – no report

**Sheriffs** - no report

**Tax Collectors** – no report

**Treasurers** – no report

Mr. McArthur presented several maps that the legislature is considering for legislative and congressional redistricting by population. If legislators cannot come to agreement on redistricting the task falls to the secretary of state.

Meeting adjourned at 2:20 p.m.