

Oregon State Chamber of Commerce

2018 Legislative Priorities

(Adopted 1.12.18)

The 2018 OSCC Legislative Priorities represents the legislative priorities of Oregon's local business communities as represented by the 80 local Chambers of Commerce members of the Oregon State Chamber of Commerce.

The OSCC is organized to give a voice to the local business communities throughout Oregon in support of policies that enable business success, job growth and income growth in each of our local communities. We believe a healthy business climate, and the jobs that such a business climate creates, is the key to building up our local communities, adequately funding social services and making our state prosperous.

The 2018 OSCC Legislative Agenda is a reflection of our collective desire to see that every Oregon community is able to grow and develop a vibrant local economy that can support each community's needs.

For 2018, OSCC requests that the Oregon legislature stay true to the intent of the short session by keeping focused on limited policy discussions and budget/policy adjustments stemming from the 2017 legislative session.

The Members of the OSCC are <u>united in support of</u>:

- 1. Increasing affordability and availability of workforce housing
- 2. State Spending Reform (PERS, Medicaid, Personnel costs)
- 3. Reduce unfunded PERS liability and reduce cost for public employers

The Members of the OSCC are <u>united in opposition to</u>:

- 1. Cap and Trade, 'Cleaner Air Oregon' funding
- 2. Sweeping portion or SAIF surplus or changing mission organization to fund PERS liability
- 3. Increasing damage awards for liability, medical lawsuits
- 4. Taxes and revenue raising not supported by the business community

2018 Legislative Priorities Detailed Summary

The Members of the OSCC are united in support of:

1. Increasing affordability and availability of workforce housing

The lack of affordable housing options for local employees is a top-tier concern for local business communities across the state. Not only is there a shortage of local affordable housing, there is a shortage of local market-rate housing as well.

2. State Spending Reform (PERS, Medicaid, Personnel costs)

State expenditures are now growing faster than revenues. State revenue has grown 40% since 2009. In that same time, PERS costs have grown 140% and Medicaid costs have grown 134%. Slowing the unsustainable growth in state government costs is a major initiative of the business community which OSCC supports.

3. Reduce unfunded PERS liability and reduce cost for public employers

The Oregon legislature can still take even limited measures to address the cost side of PERS' \$25 billion unfunded liability.

The Members of the OSCC are <u>united in opposition to</u>:

1. 'Cap and Trade,' 'Cleaner Air Oregon' fees

There are several threats facing local manufacturers on the issue of taxing emissions and tighter air emissions controls. A California-style 'cap and trade' system would impose \$700 million in additional taxes per year on manufacturers and energy producers. The taxes would cost the average Oregon family between \$700-\$1000 per year in direct additional energy costs and would yield little economic or environmental benefit. It is also known that the 'Cleaner Air Oregon' regulations may be so stringent that they have the effect of simply shutting down local manufacturers. OSCC opposes permit fees to fund the program.

2. Sweeping portion of SAIF surplus or changing mission organization to fund PERS liability

A Governor's Task Force has considered options to address the Oregon Public Employee Retirement System's (PERS) \$25 billion unfunded actuarial liability (UAL). Included was sweeping SAIF surplus which is made up entirely of employer premiums and investment income.

3. Increasing damage awards for liability, medical lawsuits.

Oregon law imposes a \$500,000 limit on non-economic damages that can be awarded in medical and wrongful death lawsuits. Economic damages are unlimited. Limits on non-economic damages keep professional liability insurance policies affordable for physicians and health care providers, specifically those in high risk specialties. Without the limits, Oregonians would face serious challenges accessing specialty physicians and health care providers throughout the state.

4. Taxes not supported by the business community.

Depending on the outcome of Measure 101, there may be pressure to raise additional tax revenue from the business community. OSCC opposes tax increases, particularly the elimination of the 'small business tax cut' passed by the 2013 legislature. Above all else, OSCC believes that Oregon business should be unified in which tax proposals it will support and which it will oppose.