



OREGON STATE REPRESENTATIVE

NEWS FROM DAVID GOMBERG

The Legislative Session Has Ended

Greetings!

Moments ago, the 2017 session of the Oregon Legislature came to a close. The last 160 days have been both extremely difficult and exceedingly important for our state and its future.

I've said before that easy questions don't come to Salem for solutions, and that has been especially true this year. I would like to thank my legislative colleagues, Capitol staff, advocates, and the people of Oregon for their dedication to and support of our democratic process. There have been significant victories, coupled with a few notable items that are yet to be completed.

Top Take-Aways from 2017 Session

Balanced Budget: The only thing the Oregon Legislative Assembly is constitutionally required to do during session is to pass a balanced budget. We have done so again this year.

While it is not the exact budget I would have written, I am proud of the hard work your Ways & Means Committee has done to prioritize our resources for the next two years.

School Funding: I am extremely pleased that we have passed the largest K-12 education budget in Oregon history at \$8.2 billion. For the most part, this increase is enough for most school districts to avoid harmful cuts to school days, teacher layoffs, and increasing class sizes. We're holding the line for now, but the status quo is not nearly good enough to educate our children to compete in the global economy. The bottom line is that any meaningful shift in the level of classroom support will require finding new state resources.

Veteran's Funding: Last November, Oregonians voted overwhelmingly in support of Measure 96 to increase funding for veteran's services. I am proud that the overall package of spending measures we passed this session makes good on that commitment, with a total of \$34.2 million in state resources.

The veterans' services budget will double the current support for County Veteran Service Officers and National Service Organizations, which helps connect veterans to the services they need and deserve. It will also fund a veterans' crisis and suicide prevention hotline and address veterans' housing and homelessness issues. I am proud to stand behind those who fought for our freedoms.



Watch Rep. Gombert Testify to Debt Collection Elements of SB 1067

Cost Containment: Oregon's economy (at least in the metro areas) is booming, and state revenues are at an all-time high. But while funding is up, so are costs. The reality is that pension obligations made by legislatures in the 1970's and 1980's are increasingly affecting our ability to make needed investments in Oregon's children, infrastructure, seniors, and public safety system. Decisions by the Oregon Supreme Court have locked-in many of those costs.

SB 1067 strives to reduce long-term state spending. It sets a cap on state government at 1% of Oregon's population (down from the current 1.5% level), requires additional reporting on contract negotiations, state agency position reclassifications, filling long-term vacancies, steps up delinquent debt collection, and eliminates double-coverage for families where both spouses work for public employers and receive OEGB/PEGB health benefits.

Transportation: The bipartisan transportation package, HB 2017, will raise \$5.3 billion for statewide transportation infrastructure modernization and improvement over the next 10 years. It addresses five of the priorities heard most consistently around the state: reducing congestion, increasing alternate transportation options, investing in maintenance and preservation, improving safety of existing infrastructure and ensuring accountability in how taxpayer dollars are spent. I am proud to have supported this historic investment to keep Oregon moving.

It is the result of more than a year of work by a 14-member joint House and Senate committee. I am grateful for their hard work, and optimistic about Oregon's transportation future because of it.

No Tax Reform Yet: I am disappointed that, despite our best efforts, we were not able to make meaningful steps to reform our revenue system to make it more equitable, predictable, and adequate. Our historic heavy reliance on personal income tax means that when times are good, budgets are healthy. But when the economy enters a downturn, we enter a vicious cycle of cuts and disinvestment, despite increased need.

Small businesses are still taxed at a higher rate than large corporations, and we remain in last place nationally for our business tax rates. I don't think that is fair. It certainly isn't predictable, and it clearly is not adequate to give every Oregon child a world-class education. I hope we do better next session.

Making a Difference for the Central Coast:

A number of bills I sponsored or co-sponsored passed both houses and will take effect this year.

Improving our Maritime Sector Workforce (SB 867): A new Task Force on Maritime Sector Workforce Development will develop recommendations on how to incorporate our critical maritime sector into the statewide workforce planning to ensure that the best sailors, engineers, fishermen, and marine technologists in the world come from Oregon.

Completing the Oregon Coast Trail (HB 3149): There are currently many segments of hikeable trails on the Oregon coast. The dream is that one day hikers can SAFELY travel from the Columbia River to the California border along a single, unified Oregon Coast Trail. Now the State Parks and Recreation Department together with other interested state agencies, local governments, and nonprofit organizations will work to develop an action plan to complete that dream.

Clarify Dory Boat Trailer Brake Rules (HB 2575): The dory fleet in Pacific City has not historically installed mechanical brakes on their boat trailers (sand, salt water, and metal is a bad combination). This hasn't been an issue until recently, when a fisherman was cited for not having mechanical brakes on his rig. HB 2575 now exempts dory trailers from the mechanical brake requirement. This should give the dory fleet extra peace of mind and allow them to operate as they have for nearly 150 years.

Protecting the Port of Toledo from Frivolous Lawsuits (HB 2902): Several public ports in Oregon own and operate a shipyard. The Port of Toledo Boatyard serves the maintenance needs of the commercial, charter, recreational, and scientific fleets on the central Oregon coast. When interests outside the country threatened to challenge those good job-producing rights, we passed legislation to insure they will continue.

Recognizing NOAA's Contribution: We're proud to have NOAA's Pacific Fleet based in Newport. We asked the governor to issue a proclamation recognizing the 100th anniversary of their commissioned officer corps. I also carried SB 200 that insures NOAA personnel have the same retirement opportunities in Oregon as other service branches. And I added language to SB 693 to provide NOAA the same treatment for Oregon driver licenses as other service branches.

Helping People Help Animals (HB 3459): When the Pick of the Litter Thrift Store bought their new property, conflicts between state guidelines and state laws meant the non-profit would need to pay property taxes. A late session fix allowed clarification of the statute and more money for animal support.

Beach Bill (HCR 8): We celebrate Oregon Beaches every day. But those beaches were not always open and free to the people of Oregon. Fifty years ago, the iconic Oregon Beach Bill was passed to insure public access in perpetuity. This year, the legislature recognized and celebrated an important anniversary that coincides with a total solar eclipse next month.

Honoring Coastal Veterans (HCR 30): Four Oregon families lost two sons in the Vietnam War. The legislature this year recognized and honored that sacrifice. HCR 30 honored the lives and service of brothers Hospitalman Charles Eugene Johnson and Staff Sergeant Clifford Thomas Johnson of Toledo, both of whom died as a result of injuries sustained in combat.

Coast Guard (SJM 7): The Central Coast fought to keep the Coast Guard Air Station in Newport. But when budget cuts in Washington D.C. appeared to once again put this life-saving facility at risk, the legislature passed a resolution to Congress urging the Coast Guard remain permanently. The 2017 federal Department of Defense budget contains funding to keep the facility operational for at least the next year.

Debt Collection Focus

My primary focus this session has been addressing the ongoing problem of uncollected revenue. In the past ten years, the amount of taxes, fines, fees, and restitution owed the state of Oregon by Oregonians has doubled to over \$3.3 billion. I've taken the lead in putting a dent in those accounts receivable.

- My General Government budgeting committee spent an unprecedented two weeks grilling the Department of Revenue on management, priorities, and collections. Debt will now enjoy an increased focus and the Department will report back to the committee quarterly.
- HB 1067 will consolidate all debt from 130 agencies into the Department of Revenue where they will apply new tools and more expertise. I added amendments to 1067 to require debt be classified as collectable or not, and create plan for debt reduction. These changes have the potential to garner \$70 million in general funds annually.
- I carried SB 159 to streamline the process for garnishments. These changes are expected to collect \$6 million annually.
- Each year, \$500 million is written off by state agencies. They simply stop pursuing half-a-billion dollars. I authored HB 2459 to insure these write-offs are reviewed and approved according to strict criteria.
- I worked with the Governor to issue new Executive Orders on debt collection.

Small Business Focus

Businesses on the Central Coast and along the Coast Range are small businesses. I'm a small business owner myself and worked hard this session to provide new and focused opportunities. They didn't generate headlines, but I believe small business had a good session.

- My Committee on Transportation and Economic Development stretched budgets to enhance and expand our network of Small Business Development Centers. SBDC's are one of our most productive and cost effective tools for creating and supporting small business and job creation.
- During the interim, I co-chaired the Special Committee on Small Business Growth together with Rep. Greg Smith (R-Heppner). That committee brought forward a dozen different proposals that have been passed into law.
- A shortage of Appraisers is a common impediment for anyone trying to buy or sell a property. At the request of the local Association of Realtors, I brought forward HJM 3 designed to encourage changes in rules that restrict entry into the appraiser profession.
- Since its inception five years ago, I have sponsored or co-sponsored legislation to create and expand the Office of Small Business Assistance. HB 3274 continues that effort. I describe OSBA as a 911 center where small business can call for help or to lodge complaints.
- Navigating business taxes can be maddening for businesses that don't have in-house accountants, lawyers, or human resource departments. State agencies can help – if you can reach them. Under HB 2156, a new phone line dedicated to small business will be created and staffed at the Department of Revenue.
- Each year, small businesses are asked to complete an inventory of taxable personal property. I authored HB 2573 to streamline and simply that process, essentially creating a “short form” for personal property taxes.
- Businesses that work with the state often have to wait far too long for payment. Under HB 3264, we've begun a pilot project to speed up payments to smaller vendors.
- Several tax changes were considered this session. But at the close, there have been no changes in small business taxes.

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I am proud of the work the Oregon Legislative Assembly has done over the past six months. Thank you for putting your trust in me. It is truly the honor and privilege of a lifetime to serve you in Salem.

I'm home now and already have several radio and town hall programs scheduled to further review this six months session. If you have an urgent issue, please feel free to reach out and I'll do what I can to help. I hope you all enjoy your summer!

Warm regards,

Rep. David Gomberg

email: Rep.DavidGomberg@oregonlegislature.gov |

phone: 503-986-1410

address: 900 Court St NE, H-371, Salem, OR, 97301

website: <http://www.oregonlegislature.gov/gomberg>