



MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Carlson, Barofsky, McRae, Schlossberg, and Brown
FROM: Jason Heuser, Public Policy and Government Affairs Director
DATE: May 26, 2023 (June 6, 2023, Board Meeting)
SUBJECT: State Legislative Session Update
OBJECTIVE: Information

Issue

The 2023 State Legislative Session convened January 23, 2023. This memo is to apprise the Board of key issues of interest to EWEB, and the current status of these issues in the legislative process.

Background

Prior to the start of each legislative session, the Board adopts general policy directives for advocacy at the Capitol, which guide the work of EWEB's lobbying activities. When political considerations test the applicability of those directives, the General Manager decides as to whether a fundamental shift in direction is required. The Board may be asked to reaffirm its policy or direct staff to make necessary adjustments.

Discussion

Legislators Walkout

Beginning May 3rd, Senate Republicans have staged an ongoing “walkout” that prevents a sufficient quorum of legislators to do business, including voting on legislation, in protest of a set of bills Senate Republicans deem overly partisan and/or illegal under Senate rules. Under the Oregon Constitution, the Senate requires that two-thirds of the chamber must be present to hold a floor session. This is a high standard, and is only in place in three other states in the U.S. The 46 other states have a simple majority as a standard for a quorum. Measure 113, which passed in 2022 with 68% of the vote, bars any legislator with more than 10 unexcused absences from running for re-election. Measure 113 has not proven to be a deterrent to walkouts and as of May 26th, 10 Republican Senators are disqualified under Measure 113 from serving another term (some Senators have terms that run through 2026, others have terms running through the end of 2024). Measure 113 is expected to be challenged in court in the future.

Nearly all the EWEB policy and budget priorities summarized in previous board correspondence session updates are in limbo along with over 200 other policy bills awaiting Senate action and the approval of a 2023-25 state budget. In the event the Senate cannot achieve a quorum and no budget is passed, state services will be funded through a previously approved continuing resolution (existing funding/service levels) until September 15. Prior to that date, the Legislature will have to convene to approve a budget in special session.

Revenue Forecast

The June Economic and Revenue Forecast was released last week, presented to members of the House Revenue Committee and Senate Finance and Revenue Committee, showed continued economic growth and income tax returns exceeding expectations. Available resources to the state climbed dramatically since the last forecast, with a \$1.9 billion increase in available general fund revenue.

State economists are still concerned about the risk of a recession, which typically follows a period of high inflation, but feel the risk is not imminent. The revenue forecast means that state budget writers will have more leeway to increase investments in state and local funding priorities.

Recommendation

This memo is for informational purposes. No board action is requested.

Requested Board Action

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