



Multnomah County Oregon

# Board of Commissioners & Agenda

connecting citizens with information and services

## BOARD OF COMMISSIONERS

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Portland, Or 97214  
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Email: mult.chair@co.multnomah.or.us

### Pauline Anderson, Interim

#### Commission Dist. 1

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## ANY QUESTIONS? CALL BOARD

**CLERK DEB BOGSTAD @ (503) 988-3277**

Email: deborah.l.bogstad@co.multnomah.or.us

**INDIVIDUALS WITH DISABILITIES PLEASE  
CALL THE BOARD CLERK AT (503) 988-3277,  
OR MULTNOMAH COUNTY TDD PHONE  
(503) 988-5040, FOR INFORMATION ON  
AVAILABLE SERVICES AND ACCESSIBILITY.**

## UPDATED AGENDA FOR APRIL 17 & 19, 2001 BOARD MEETINGS

### FASTLOOK AGENDA ITEMS OF INTEREST

Pg. 2	10:30 a.m. Tuesday Legislative Update
Pg. 2	11:30 a.m. Tuesday Living Wage Review Board Report to the Board
Pg. 2	9:00 a.m. Thursday Homeless Families Plan
Pg. 3	9:30 a.m. Thursday NOND & DA Proclamations
Pg. 4	9:40 a.m. Thursday Aging & Disability Services RESULTS Presentation
Pg. 3	9:50 a.m. Thursday Ordinance Establishing a Sustainable Development Commission
Pg. 4	9:55 a.m. Thursday A & T Grant Budget
Pg. 4	10:15 a.m. Thursday Homeless Youth System
Pg. 5	<b>Budget Deliberations Schedule</b>
*	<b>Board and Agenda Web Site:</b> <a href="http://www.co.multnomah.or.us/cc/index.html">http://www.co.multnomah.or.us/cc/index.html</a>

Thursday meetings of the Multnomah County Board of Commissioners are cable-cast live and taped and may be seen by Cable subscribers in Multnomah County at the following times:

Thursday, 9:30 AM, (LIVE) Channel 30

Friday, 11:00 PM, Channel 30

Saturday, 10:00 AM, Channel 30

(Saturday Playback for East County Only)

Sunday, 11:00 AM, Channel 30

Produced through Multnomah Community Television

Tuesday, April 17, 2001 - 10:30 AM  
Multnomah Building, Sixth Floor Commissioners Conference Room 635  
501 SE Hawthorne Boulevard, Portland

## **BOARD BRIEFINGS**

- B-1 Public Affairs Office Update on the 2001 Oregon Legislature. Presented by Gina Mattioda and Stephanie Soden. 1 HOUR REQUESTED.
- B-2 Living Wage Review Board's 2001 Report: Recommendations. Presented by Mimi Maduro and Members of the Living Wage Review Board. 30 MINUTES REQUESTED.
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Thursday, April 19, 2001 - 9:00 AM  
Multnomah Building, First Floor Commissioners Boardroom 100  
501 SE Hawthorne Boulevard, Portland

## **BOARD BRIEFING**

- B-3 Homeless Families Plan for Multnomah County: Five-Year Roadmap for Service Development-Addendum and Update. Presented by Mary T. Li, Jean DeMaster, Will Grant, Theresa Monteverdi, Rick Nitti and Oscar Sweeten-Lopez. 30 MINUTES REQUESTED.
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Thursday, April 19, 2001 - 9:30 AM  
Multnomah Building, First Floor Commissioners Boardroom 100  
501 SE Hawthorne Boulevard, Portland

## **REGULAR MEETING**

### **CONSENT CALENDAR - 9:30 AM**

#### **NON-DEPARTMENTAL**

- C-1 Appointment of David Martinez to the HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

## **DEPARTMENT OF LIBRARY SERVICES**

- C-2 Budget Modification DLS 2 Authorizing Appropriation of \$81,333 Grant from the Commission on Children, Families and Community, for Continuation of a Language and Literacy Curriculum and Training Program for Early Childhood Providers

## **DEPARTMENT OF COMMUNITY AND FAMILY SERVICES**

- C-3 Intergovernmental Revenue Agreement 0110885 with the U.S. Department of Housing and Urban Development, Providing Three Years Horizons Domestic Violence Supportive Housing Funding for Supportive Services, Leasing and Administration

## **DEPARTMENT OF SUSTAINABLE COMMUNITY DEVELOPMENT**

- C-4 Amendment to Lease Agreement 302303-4 with Gresham Seniors United, Inc., Clarifying Payment Terms for Leased Space at 50 NE Elliot, Gresham
- C-5 Amendment to Intergovernmental Agreement 4600001441 with the City of Troutdale, Regarding Road Transfers and Appropriate Funding

## **REGULAR AGENDA - 9:30 AM**

## **PUBLIC COMMENT - 9:30 AM**

Opportunity for Public Comment on Non-Agenda Matters. Testimony Limited to Three Minutes Per Person.

## **NON-DEPARTMENTAL - 9:30 AM**

- R-1 PROCLAMATION Proclaiming April 23 through April 27, 2001 as MULTNOMAH COUNTY VOLUNTEER WEEK

## **DISTRICT ATTORNEY'S OFFICE - 9:35 AM**

- R-2 PROCLAMATION Proclaiming April 22 through April 28, 2001 as OREGON CRIME VICTIMS' RIGHTS WEEK in Multnomah County, Oregon

## **AGING AND DISABILITY SERVICES DEPARTMENT - 9:40 AM**

R-3 Results from RESULTS: Client Quality Review Presentation by Mohammad Bader and Team. 10 MINUTES REQUESTED.

**DEPARTMENT OF SUSTAINABLE COMMUNITY DEVELOPMENT - 9:50 AM**

R-4 Intergovernmental Agreement 4600001961 with the City of Portland, for the Multnomah County - City of Portland Compliance Project Related to Metro's 2040 Functional Plan Compliance Work

R-5 First Reading of a Proposed ORDINANCE Amending Multnomah County Code Chapter 3, Administration, to Establish a Sustainable Development Commission

**DEPARTMENT OF SUPPORT SERVICES - 10:05 AM**

R-6 RESOLUTION Certifying and Estimate of Expenditures for the FY 2001-02 Property Tax Program in Accordance with ORS 294.175

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Thursday, April 19, 2001 - 10:15 AM  
(OR IMMEDIATELY FOLLOWING REGULAR BOARD MEETING)  
Multnomah Building, First Floor Commissioners Boardroom 100  
501 SE Hawthorne Boulevard, Portland

**BOARD BRIEFING**

B-4 Downtown Homeless Youth System Presentation by Members of the Downtown Homeless Oversight Committee: Mary Li, Ron Hill, Judy Robison, Dennis Morrow, Diane Linn and Gerardo Islas. 1 HOUR REQUESTED.

**2001-2002 Multnomah County Budget Deliberations Schedule**  
**\*All sessions to be in held in the Multnomah Building,**  
**Commissioners Boardroom 100, 501 SE Hawthorne**  
**Boulevard, except as noted\***

Thur, April 26, 2001	9:30 to noon	Executive Budget Overview Presentation to Board and Regular Board Meeting
Tue, May 1, 2001	9:00 to 3:00 p.m.	Opportunity for Commissioner Updates on Boards and Committees, followed by Board Budget Work Session on Issues
Thur, May 3, 2001	9:30 to noon	Executive Budget Message and Board Approval of Budget for Transmission to Tax Supervising and Conservation Commission, Regular Board Meeting
Tue, May 8, 2001	9:30 to noon	<b>Central Citizen Budget Advisory Committee Report &amp; Department of Library Services Budget Hearing</b>
Tue, May 8, 2001	1:30 to 4:00 p.m.	<b>Department of Sustainable Community Development Budget Hearing</b>
Wed, May 9, 2001	9:30 to noon	<b>Department of Support Services Budget Hearing</b>
Wed, May 9, 2001	1:30 to 4:00 p.m.	<b>Non-Departmental and Special Service Districts Budget Hearings</b>

**2001-2002 Multnomah County Budget Deliberations Schedule**  
**\*All sessions to be in held in the Multnomah Building,**  
**Commissioners Boardroom 100, 501 SE Hawthorne**  
**Boulevard, except as noted\***

- |                     |                   |  |
|---------------------|-------------------|--|
| *Thur, May 10, 2001 | 6:00 to 8:00 p.m. | <b>Public Hearing and Testimony on the Multnomah County Budget, Midland Branch Library, 805 SE 122nd Avenue, Portland</b>          |
| Tue, May 15, 2001   | 9:30 to noon      | Public Affairs Office Legislative Update discussion, followed by <b>Department of Aging and Disability Services Budget Hearing</b> |
| Tue, May 15, 2001   | 1:30 to 4:00 p.m. | <b>Capital Program Budget Hearing and Mental Health System Briefing</b>  |
| Wed, May 16, 2001   | 9:30 to noon      | <b>Health Department Budget Hearing</b>  |
| Wed, May 16, 2001   | 1:30 to 4:00 p.m. | <b>Department of Community and Family Services Budget Hearing</b>  |
| *Thur, May 17, 2001 | 6:00 to 8:00 p.m. | <b>Public Hearing and Testimony on the Multnomah County Budget, North Portland Branch Library, 512 N Killingsworth, Portland</b>   |
| Tue, May 22, 2001   | 9:30 to noon      | <b>District Attorney's Office Budget Hearing</b>   |
| Tue, May 22, 2001   | 1:30 to 4:00 p.m. | <b>Department of Juvenile and Adult Community Justice Budget Hearing</b>   |
| Wed, May 23, 2001   | 9:30 to noon      | <b>Sheriff's Office Budget Hearing</b>   |

## **2001-2002 Multnomah County Budget Deliberations Schedule**

**\*All sessions to be in held in the Multnomah Building,  
Commissioners Boardroom 100, 501 SE Hawthorne  
Boulevard, except as noted\***

<b>*Wed, May 23, 2001</b>	<b>6:00 to 8:00 p.m.</b>	<b>Public Hearing and Testimony on the Multnomah County Budget, Gresham Branch Library, 385 NW Miller, Gresham</b>
Tue, May 29, 2001	9:30 to noon	Discussion, Follow-up Info, Review Budget Amendments Work Session
Tue, May 29, 2001	1:30 to 4:00 p.m.	Discussion, Follow-up Info, Review Budget Amendments Work Session
Wed, May 30, 2001	9:30 to noon	Discussion, Follow-up Info, Review Budget Amendments Work Session
Wed, May 30, 2001	1:30 to 4:00 p.m.	Discussion, Follow-up Info, Review Budget Amendments Work Session
Tue, June 5, 2001	9:30 to noon	Discussion, Follow-up Info, Review Budget Amendments Work Session
Tue, June 5, 2001	1:30 to 4:00 p.m.	Discussion, Follow-up Info, Review Budget Amendments Work Session
Wed, June 6, 2001	9:30 to noon	Discussion, Follow-up Info, Review Budget Amendments Work Session
Thur, June 7, 2001	<b>1:30 to 3:00 p.m.</b>	<b>Tax Supervising and Conservation Commission Public Hearing and Testimony on Multnomah County Budget (quorum of BCC to attend)</b>

**2001-2002 Multnomah County Budget Deliberations Schedule**  
**\*All sessions to be in held in the Multnomah Building,  
Commissioners Boardroom 100, 501 SE Hawthorne  
Boulevard, except as noted\***

Thur, June 7, 2001            **6:00 to 8:00 p.m. Public Hearing and Testimony on  
the Multnomah County Budget**

Thur, June 14, 2001        9:30 to noon            **Public Hearing and Testimony and  
Adoption of Budget and  
Amendments and Regular Board  
Meeting**



COMMISSIONER SERENA CRUZ, DISTRICT 2  
**MULTNOMAH COUNTY OREGON**

501 SE Hawthorne Blvd, Suite 600  
Portland, Oregon 97214  
(503) 988-5219 phone  
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www.co.multnomah.or.us/cc/ds2/

## **MEMORANDUM**

TO: Chair Bill Farver  
Commissioner Pauline Anderson  
Commissioner Lisa Naito  
Commissioner Lonnie Roberts  
Board Clerk Deb Bogstad

FROM: Beckie Lee  
Staff to Commissioner Serena Cruz

DATE: 4/16/01

RE: Board Meeting Absence

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Commissioner Cruz will not be able to attend the Board Briefing on Tuesday, April 17<sup>th</sup>.

01 APR 17 PM 12:39  
MULTNOMAH COUNTY  
OREGON  
BOARD OF  
COUNTY COMMISSIONERS



MEETING DATE: April 17, 2001  
AGENDA NO: B-1  
ESTIMATED START TIME: 10:30 AM  
LOCATION: BCC Conference Room 635

(Above Space for Board Clerk's use only)

**AGENDA PLACEMENT FORM**

SUBJECT: 2001 Legislative Update

BOARD BRIEFING: DATE REQUESTED: \_\_\_\_\_  
REQUESTED BY: \_\_\_\_\_  
AMOUNT OF TIME NEEDED: \_\_\_\_\_

REGULAR MEETING: DATE REQUESTED: Tuesday, April 17, 2001  
AMOUNT OF TIME NEEDED: 45 mins/1 hour

DEPARTMENT: Non-Departmental DIVISION: Public Affairs Office

CONTACT: Barb Disciascio TELEPHONE #: (503) 988-6800  
BLDG/ROOM #: 503/6

PERSON(S) MAKING PRESENTATION: Gina Mattioda and Stephanie Soden

ACTION REQUESTED:

INFORMATIONAL ONLY    POLICY DIRECTION    APPROVAL    OTHER

SUGGESTED AGENDA TITLE:

Public Affairs Office Update on the 2001 Oregon Legislature

SIGNATURES REQUIRED:

ELECTED OFFICIAL: \_\_\_\_\_  
(OR)

DEPARTMENT MANAGER: *Gina Mattioda*

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Board Clerk @ (503) 988-3277 or email  
deborah.l.bogstad@co.multnomah.or.us

01 APR 11 PM 2:49  
MULTNOMAH COUNTY  
OREGON  
CLERK OF COUNTY COMMISSIONERS

## BOGSTAD Deborah L

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**From:** SODEN Stephanie A  
**Sent:** Friday, April 13, 2001 10:49 AM  
**To:** FARVER Bill M; ANDERSON Pauline S; CRUZ Serena M; NAITO Lisa H; ROBERTS Lonnie J  
**Cc:** SCHOLLES Rhys R; RAKOWITZ John A; BRIDGES Laura M; CARROLL Mary P; LEE Beckie K; NAITO Terri W; KIRKLAND Debbie D; WALKER Gary R; WALKER Brett T; MATTIODA Gina M; DISCIASCIO Barbara A; BOGSTAD Deborah L  
**Subject:** 4-17 Leg Update

Below are agenda items the Public Affairs Office plans to include in the 4-17-01 Board Briefing/Legislative Update. Please let me know if you'd like any other items added, or if you have any questions or concerns.

**1. Emerging legislative issues** (information only and/or action needed)

HB 3953 Preemption of local ordinances (information only)

Mental Health and Developmental Disabilities Division (MHDDSD) budget (information only)

HB 2744 - Prohibition of local government living wage policies (action needed)

HB 2680 - Prohibition of local government telecommunication networks (action needed)

HJR 47 and HJR 68 - Allow forfeiture of animals (action needed)

**2. Legislative Agenda update** (information only and/or action needed)

**3. May Economic and Revenue Forecast** (information only)

**4. AOC Legislative Priorities** (action needed)

Thank you-

Stephanie Soden  
Multnomah County Public Affairs Office  
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Portland, OR 97214  
(503) 988-6045  
(503) 988-6801 fax  
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stephanie.a.soden@co.multnomah.or.us

**Public Affairs Office Legislative Briefing**  
**Tuesday, April 17, 2001**  
*Presented by Gina Mattioda and Stephanie Soden*

- I. Emerging Legislative Issues**
- II. Discussion and Review of Multnomah County Legislative Agenda**
- III. May Economic and Revenue Forecast**
- IV. AOC Legislative Priorities**

**April 17, 2001**

**TO:** Board of County Commissioners

**FROM:** Gina Mattioda and Stephanie Soden  
Public Affairs Office

**RE:** Legislative Briefing

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**1. Emerging Legislative Issues**

**Mental Health Budget Hearings (Attachments - Information only)**

The Mental Health and Developmental Disability Services Division (MHDDSD) presented their budget to the Ways and Means Subcommittee on Human Resources. At the request of Sen. Avel Gordly, Multnomah County met with key legislators about the county's efforts to strengthen our mental health system.

Lorenzo Poe, Denise Chuckovich, and Gina Mattioda met with the following legislators: Senators Carter, Fisher, and Shields and Representatives Kruse and Winters. The focus of these meetings was to provide legislators with the county's legislative agenda, a matrix on how the \$1.1 million in Emergency Board funds were used, and Chair Stein's letter updating stakeholders on the county planning process to improve our mental health system. Copies of these documents are attached. MHDDSD provided the Ways and Means Subcommittee members with a report entitled "Mental Health Services in Multnomah County - Status Update." The report stated, "The Division believes that the County's current initiatives hold promise for improvement."

**HB 3953 (Attachments - Information only, possible action needed)**

HB 3953 prohibits local governments from enacting smoking ordinances that are more restrictive than state law. Sponsored by the Oregon Restaurant Association, the proponents claim the bill's intent is to preserve Multnomah County's ordinance, however, county officials believe it oversteps the policies established by local governments.

**HB 2680 (Action needed)**

HB 2680 imposes requirements on local governments that provide telecommunication services to consumers, including neighboring governmental partners, that would make existing telecommunication partnerships cost prohibitive. Although the bill was amended to decrease some of the restrictions, it still imposes a significant fiscal impact to the county by forcing the City of Portland to charge market rates for the use of their telecommunication infrastructure. It also creates a substantial barrier to the Association of Oregon Counties legislative priority of establishing a statewide telecommunications network.

*The Public Affairs Office recommends the Board of County Commissioners submit a floor letter in opposition to HB 2680-B.*

**HB 2744** (Action needed)

HB 2744 prohibits local governments from imposing living wage requirements on contract organizations. Sponsored by the Oregon Restaurant Association, the bill has been amended to exempt local contracts from the prohibition, but does not address situations in which private companies locate in a community in exchange for property tax abatements. Multnomah County's Living Wage Review Board sent a letter in opposition of HB 2744 to the House Business, Labor and Consumer Affairs Committee. Although legislators expressed concern for the loophole allowed in HB 2744A, the bill was passed to the floor for a vote.

*The Public Affairs Office recommends that the Board of Commissioners submit a floor letter in opposition to HB 2744-A.*

**HJR 47 and HJR 58** (Action needed)

House Joint Resolutions 47 and 58 are identical resolutions proposing to amend the Oregon Constitution to allow forfeiture of animals in relation to the recent forfeiture limitations passed by the voters in 2001 (Measure 3). According to the Animal Control Office, forfeiture practices are crucial to the enforcement and shelter duties in the county. The resolutions are scheduled for a public hearing and possible work session on April 19 in the House Judiciary Criminal Law Subcommittee.

*The Public Affairs Office recommends that the Board of Commissioners submit a letter of support to House Judiciary Criminal Law Subcommittee members.*

**2. Update on Multnomah County Legislative Agenda Bills**  
(Information only)

Below are specific bills introduced to date that are linked to Multnomah County's 2001 Legislative Agenda.

**Benchmark #1: Improve the Health of the Community**

**Department of Human Services Reorganization**

- **HB 2294** Reorganizes Oregon's Department of Human Services (DHS) and abolishes current divisions, programs, and offices. According to DHS representatives this reorganization establishes integrated clusters including Adult, Families, and Children; Health; and Seniors and People with Disabilities. Along with more aligned central services, organizational restructuring includes Continuous Systems Improvement, Field Operations, and Administrative Support. Creates "a new structure [that] will use a network of specialists to provide services efficiently, holistically, and in a way that involves clients and families in finding solutions."

**Prescription Drugs**

- **SB 860 and HB 3765** Allow Oregonians to pool their collective buying power to address the rising cost of prescription drugs. This strategy would be achieved by developing an Oregon Prescription Drug Access and Cost Containment Board that

would develop a plan for bulk purchase of prescription drugs. This concept is one of several bills that have been introduced this session.

- **SB 878 and HB 3300** Establish what is known as a "formulary." Formulary is a common practice in most private health plans. It creates a priority list of prescription drugs. This concept was introduced at the request of Governor Kitzhaber, but is strongly opposed by the pharmaceutical companies.
- **HB 2896** has roughly 60 legislators as sponsors of this bill, which would create a Prescription Drug Coverage Task Force to study the cost of prescription drugs and access to prescription drugs for senior citizens.

#### **Safety Net Clinics**

- **HB 3225** Appropriates money from the General Fund to Health Division for operation of local public health clinics. This bill is one of several aimed at assisting clinics, often referred to as safety net clinics, that provide primary health care to the uninsured and underinsured.

#### **Mental Health**

- **HB 3017** Mental health parity bill sponsored by Rep. Jeff Kruse (R-Roseburg) and Sen. Avel Gordly (D-Portland). An element of the Governor's Mental Health Alignment Workgroup.
- **HB 3024** Directs local mental health authority to develop local plans for mental health services. Also an element of the Governor's Mental Health Alignment Workgroup.
- **Report to the Governor from the Mental Health Alignment Workgroup** Identifies several recommendations. Highlights include:
  - Requires local biennial blueprint plans that use a multi-system team approach to coordinate and deliver services for children, families, and adults.
  - Establishes equal benefits for mental health and physical health, better known as parity. SB 112, HB 2472, and HB 3017 relate to parity.

#### **Early Childhood Services**

- **SB 900** Referred to as the Oregon Children's Plan, develops a framework to support early childhood education and prevention programs. This legislation does not allocate or identify funding. It is sponsored by Senate President Gene Derfler (R-Salem) and Senate Democratic Leader Kate Brown (D-Portland). A workgroup has been established to rewrite SB 900, according to Sen. Brown's office, revisions to SB 900 will be placed into SB 10.

#### **School Based Health Clinics**

- **HB 2820** requires Oregon Health Division to award grants to county health departments of school-based health centers. Grant criteria focuses on underserved and rural areas. No dollar figure is identified, but the funding stream is Oregon's 1998 tobacco Master Settlement Agreement. Sponsorship includes some Democrats and Republicans as well as Co-Chairs Hannon and Westlund.

### **Columbia River Gorge Commission**

- **HB 5007** appropriates monies to fund the Columbia River Gorge Commission. It is tentatively scheduled in the Ways & Means Natural Resources Subcommittee for the last week in April.

### **Benchmark #2: Reduce Crimes**

#### **Community Corrections**

- **HB 2942** Modifies the community corrections allocation formula and replaces the 1145 Implementation Committee with an advisory committee.
- **HB 3461** Abolishes custody tracking units during probation, this bill has been referred to the House Judiciary Committee, and is tentatively scheduled for a hearing by the end of April.
- **HB 5008** Community corrections funding – Department of Corrections budget. Tentatively scheduled in Ways & Means Public Safety Subcommittee in mid-April.

#### **Juvenile Justice**

- **HB 3256** Restricts youths entering OYA custody to felonies only, which would partially alleviate the county's burden if the 150 school accountability beds are not restored in OYA's budget. It is scheduled for a hearing and possible work session on April 26.
- **HB 3619** Increases the number of school days required in local juvenile detention facilities from 180 to 220. The bill was unanimously approved by the House Student Achievement and School Accountability Committee and referred to House Revenue.
- **HB 3832** Creates community accountability programs to manage the alcohol and drug and/or mental health problems of some juvenile delinquents. The bill received a public hearing on April 3, however, it has not been scheduled for further activity.
- **SB 5546** Oregon Youth Authority's budget bill, currently being heard in Ways and Means Public Safety Subcommittee.

#### **Domestic Violence**

- **HB 2885** Creates Oregon's Domestic and Sexual Violence Services Program. Allocates \$25 million for domestics violence and sexual assault programs, including safety and assistance. Program must develop a plan for the allocation of funds.
- **HB 3375** Creates a Task Force on Domestic Against Immigrant and Migrant Women in Oregon. Requires Department of Justice to provide staff and funds. Sponsored by House Majority Leader Karen Minnis (R-Fairview).
- **SB 681** Creates a Domestic Violence Multidisciplinary Intervention Account. This was assigned to the Senate Judiciary Committee, with a subsequent referral to Ways & Means.

### **Benchmark #3: Reduce Poverty**

#### **Living Wages**

- **HRJ 32** Declares that this legislature ask the Department of Human Services (DHS) by 2004 to provide sufficient funds, more commonly referred to as living wages, to entities that contract or subcontract with the department.

- **HB 2744 Prohibits Local Living Wage Requirements.** The original language of the bill would have prohibited local governments from setting minimum wage requirements with its contract organizations. The bill has been amended to exempt such contracts, however, continues to prohibit local governments from imposing minimum wage requirements on private sector organizations receiving tax abatements. HB 2744A was passed out of the House Business, Labor and Consumer Affairs Committee and is expected to be voted on the House floor in the next week.

#### **Affordable Housing**

- **HB 3400** Establishes affordable housing district in metro areas. Provides local option for affordable housing. Authorizes district governing board to impose real estate transfer tax. Distributes tax proceeds to Regional Affordable Housing Fund.
- **HB 3853** Imposes an additional \$5 fee for recording or filing certain documents to be collected by county clerk and transferred to Housing and Community Services Department for specified purposes. Removes sunset on Home Ownership Assistance Account.

#### **Benchmark #4: Increase Success in School**

##### **Community Learning Centers**

- **HB 2082** Directs a variety of state agencies such as Department of Education, Department of Human Services, State Commission on Children and Families and Oregon Criminal Justice Commission to support the development and implementation of community learning centers.

#### **Benchmark #5: Maintain Principles of Good Government**

- The Association of Oregon Counties develops a weekly legislative report, which can be viewed at [www.aoc.web.org/leg rpt1.htm](http://www.aoc.web.org/leg rpt1.htm)

#### **3. May Economic and Revenue Forecast (Information only)**

On May 15, the Department of Administrative Services' Office of Economic Analysis will release the May Economic and Revenue Forecast to the Oregon Legislature. The forecast will be used to balance the 2001-03 budget. Ways and Means Co-Chair Lenn Hannon (R-Ashland) has indicated that state revenues will likely be \$100-200 million lower than the March Forecast.

#### **4. AOC Legislative Priorities (Action needed)**

One of AOC legislative priority is to coordinate and fund mental and public health services. AOC Legislative Committee is requesting Multnomah County Commissioners to contact the following legislators:

Senator Kate Brown 503.986.1700

Senator Margaret Carter 503.986.1706

Senator Avel Gordly 503.986.1710

Senator Rick Metsger 503.986.1714

Senator Frank Shields 503.986.1709

Representative Steve March 503.986.1415

Representative Jeff Merkley 503.986.1416

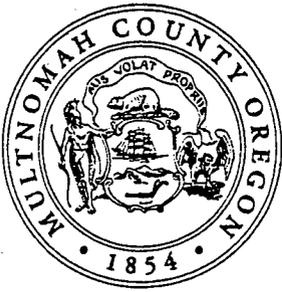
Representative Karen Minnis 503.986.1400

AOC is asking that these talking points be used:

**Action Needed:** Earmark a percentage of Oregon's Tobacco Settlement Funds for prevention and early intervention services designed to reduce growing public and mental health, alcohol and drug and other related problems during the life of Oregon Tobacco Settlement allocation (approximately 20 years). AOC's Health Initiative, including preventive public health services, and the proposed Oregon Children's Initiative would be the two major recipients of the dedication.

**Background:** The earmarking or dedication of Oregon's Tobacco Settlement Funds for such purposes would play well to the public and show accountability for wise use of the funds – rather than just another resource dissipated into the overall expenditures of the state.

*Attached is a copy of AOC's Health Improvement Initiative.*



## Beverly Stein, Multnomah County Chair

Suite 600, Multnomah Building  
501 S.E. Hawthorne Blvd.  
Portland, Oregon 97214

Phone: (503) 988-3308  
FAX: (503) 988-3093  
E-Mail: [mult.chair@co.multnomah.or.us](mailto:mult.chair@co.multnomah.or.us)

February 2001

Dear Legislators:

I would like to update you on our work to improve mental health services in Multnomah County. For the past two years the county has been involved in a planning process aimed at strengthening our mental health system. This process was started in response to concerns about how managed mental health care for Oregon Health Plan (OHP) clients was affecting the county system. The 1997 expansion of OHP benefits to include mental health increased access to county services for many individuals. It also created new financial demands and new county responsibilities that ultimately stressed the overburdened mental health system.

In response to consumer, provider, and family concerns, the Multnomah County Board of Commissioners set up a Mental Health Design Team to study the issues and make recommendations for change. After many months of meetings, and the participation of over 200 individuals, the county has made important choices about system redesign and is now beginning the implementation phase. I am enclosing an editorial from *The Oregonian* that comments favorably on our process and the results to date. All five commissioners served on the Mental Health Design Team, attended many team meetings, and became very involved with this compelling issue. As a result of this work, our Board's commitment to a successful outcome is unanimous and focused.

County government is the Local Mental Health Authority and, as such, accepts responsibility from the Department of Human Services Mental Health and Developmental Disability Services Division for mental health service delivery. To a great extent, the state sets the legal, policy, and fiscal framework for the mental health system. The ability of the counties to meet community needs is very dependent on state actions, at the Legislature as well as the Department of Human Services. Our planning process has had the involvement and support of the Governor's Office and the Department of Human Services Mental Health and Developmental Disability Services Division and we believe the state is committed to our success. It is very important to Multnomah County that any changes to the state mental health system made in this legislature are consistent with our system redesign.

The mental health system is complex and I cannot easily summarize all the issues and options. However, I would like to share copies of the action steps taken by the Multnomah Board of County Commissioners. On September 28, 2000 the Board adopted a statement of values and principles, setting forth the type of mental health system we are trying to build. On December 7, 2000, the Board adopted two resolutions calling for system changes and creating a Mental Health Coordinating



Council to oversee and coordinate the system. If you would like to learn more about mental health system issues and the choices presented to the Board, this report can be found at [www.teleport.com/~namiport/design.htm](http://www.teleport.com/~namiport/design.htm)

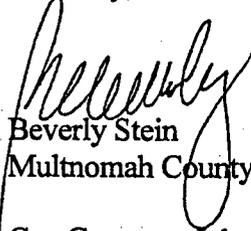
As a Multnomah County Legislator, you can be a great help to the redesign process by recognizing the county's interest in legislation and budget decisions that affect mental health and the Oregon Health Plan.

Multnomah County supports:

- Parity legislation that ensures equitable insurance coverage of mental health services
- Additional state funding for mental health services
- Modifications to the eligibility requirements in the Oregon Health Plan to cover the needs of the mental health population
- Initiatives to reduce the increased cost of prescription drugs
- A reorganized Department of Human Services that includes client-focused services, partnerships with local governments, flexible utilization of funds to ensure public accountability, and maximization of resources
- Increased housing for people with mental health issues
- Legislation that would decrease criminalization of juveniles and adults with mental health issues
- Confidentiality laws that would facilitate effective communications between agencies

I appreciate your support for an effective state and local partnership and hope the mental health system in Multnomah County will become an outstanding model of what we can do by working together.

Sincerely,



Beverly Stein  
Multnomah County Chair

Cc: Governor John A. Kitzhaber, M.D.  
Multnomah County Board of Commissioners  
Lorenzo Poe, Multnomah County Department of Community and Family Services Director

# The Oregonian

Founded Dec. 4, 1850. Established as a daily Feb. 4, 1861.  
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## Lifting the cloud of shame

*Multnomah County Commissioners make a gallant effort to turn services for mentally ill into national model*

“A system that is supposed to support recovery is so disorganized that it perpetuates its clients' illnesses.”

That verdict on Multnomah County's mental health services began an editorial series in *The Oregonian* earlier this year. We were hard on the county.

The commissioners did not shrink from the criticism. Led powerfully by Chairwoman Bev Stein, they accepted that there was a mess in service delivery to some 80,000 of the most vulnerable people in our community. The elected officials put a spotlight on the chaos. They put serious money (an extra \$1.5 million from the state and \$800,000 of county funds) into increasing access to mental health services while creating an inclusive process that opened the issues to thoughtful public inspection and analysis.

The results are full of promise -- research, vision and political daring.

Today, the commissioners have before them resolutions aimed realistically at turning a local snakepit into a national model of humane, cost-efficient service for children and adults with mental illnesses.

The envisioned system will rise like the scaffolding at a construction site. It will grow as quickly as program elements can be put into place and linked. The planning — all five commissioners worked hard on it — displays political will to weld the mental health service fragments into a system that is accessible, responsive and accountable for measured progress in prevention, rehabilitation and recovery. Those pieces now reside in about 60 local agencies that typically have little contact with each other.

The task is huge but doable. It involves creating a new culture in which

all the parries — local, state, federal and private — work as partners on mental health issues and their inseparable components: medical services; drug and alcohol problems; crisis response; respite care; peer support; early screening; police/court/jails practices; funding; housing; education and training; employment; data collection; information sharing; and intensive case management.

The county has advanced tremendously in transforming a debacle into an opportunity. The progress continues in the expected passage today of resolutions setting policies to guide the next step: massive reorganization.

But we are also concerned. It is one thing to build policy. It is quite another to turn policy hopes into reality when your starting point is the decaying corpse of a dysfunctional system.

What this transition requires next is to recruit an exceptional turnaround specialist, a have-gun-will-travel paladin who knows how to fit the right people and programs into the right places. It needs a talent who has the undoubted hacking of the elected commissioners and the fitness to operate across county departments and across political jurisdictions to forge a seamless service-delivery network.

Stein says she will seek such a virtuoso. Further, by offering this expert a 12-24-month contract, she wants this expert to be free of careerist ambitions here that would make him or her hesitate to overcome bureaucratic reluctance, incompetence or self-dealing when necessary.

This is the crucial choice. It's one the commissioners must not delegate. Success or failure rides on making the right selection. The hot rock of accountability belongs in the pockets of the county's five elected commissioners.



# MULTNOMAH COUNTY

## Department of Community and Family Services

### System Redesign

Multnomah County and the State of Oregon have invested \$1.9 million in new resources to redesign the mental health system in Multnomah County. The State money was provided for system redesign and to supplement services for clients not enrolled in the Oregon Health Plan. The County dollars are for redesign and services for all clients seeking services. The funding for redesign has been committed as follows-

Description	State Funding	County Funding
<b>Development of Consumer and Family Based Services:</b> \$150,000 was set aside for development in each area.	\$300,000	
<b>Crisis/Respite Beds:</b> \$168,000 out of the \$800,000 in County funds is targeted for redesign of the crisis services system through supporting the start-up of community-based respite/step-down beds. The County will pursue contracts for the development, opening and initial operation of respite beds in existing residential facilities operated by Mt. Hood, Network and Unity that have excess bed capacity and that can ensure adequate and appropriate staffing. With County funds, selected vendors will operate five (5) non-secure respite beds in existing facilities that are appropriately staffed to serve mental health consumers on a 24 hour/7 days-a-week basis, and which can serve as community based alternatives to hospitalization and a step-down from higher levels of care in a coordinated crisis system. This capacity will serve 125-150 OHP clients per year.	\$200,000	\$168,000
<b>Crisis System Stabilization:</b> Additional funding for the Crisis Triage Center	\$200,000	
<b>Housing for Adults:</b> \$250,000 out of the \$800,000 in County funds will be used to place and maintain OHP consumers in housing, through the provision of such services as housing finding/placement, short term move-in and rental assistance, outreach and consumer coaching/education, training and coordination of personal care assistants, eviction prevention and support and consultation for landlords. With the new County funds, DCFS will contract with the four providers of supported housing services (Center for Community Mental Health, Mt. Hood Mental Health Center, Network Behavioral Health Care and Unity) to fund at least four additional Housing Specialist positions in a County-wide Mental Health Housing Partnership Team, plus a pool of \$50,000 in flexible funds for financial/rent assistance for OHP consumers. These funds will provide support services to 400 OHP consumers.	\$225,625	\$250,000

Description	State Funding	County Funding
<p><b>Intensive Adult Case Management:</b>  The County is supporting intensive case management and employment services for OHP-eligible adults through the Individual Placement and Support Plus Project (IPS+) that is being operated by Network and Unity (and which has been partially funded with \$65,431 in MHDDSD funds) with \$134,895 out of the \$800,000 in local service funds. In addition, the County will enter into a contract for \$41,975 with the Regional Research Institute (RRI) at Portland State University (PSU) in order to provide training and support the evaluation of outcomes for the IPS + project. RRI has agreed to support training and evaluation of outcomes for the IPS + project in Multnomah County with \$15,581.50 of in-kind contributions from PSU.</p>		<b>\$176,870</b>
<p><b>Justice System Case Management:</b>  The Department of Community Justice will establish an integrated case management program, which will build on existing activities as well as adding case management functions not currently part of the system. Specifically, two care coordinators, a part-time mental health nurse practitioner, and funding for community support services. Linking case management and community supervision stabilizes mentally ill offenders in the community and often provides an alternative to incarceration.</p>		<b>\$60,000</b>
<p><b>County IS System Evaluation:</b>  The County IS Division will conduct a 14-week assessment of the mental health data systems within the County. The goals will be to develop an accurate picture of the current state of the County's mental health data systems, define the scope required to address the data system needs, and identify best practices in mental health data systems.</p>		<b>\$100,000</b>
<p><b>System Restructuring:</b>  Cost associated with system redesign including, consulting time for mental health system redesign, restructuring, and education and training for providers. Also staff support and associated cost of Mental Health Design Team.</p>	<b>\$225,000</b>	<b>\$45,130</b>
<b>Total</b>	<b>\$1,150,625</b>	<b>\$800,000</b>



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## MULTNOMAH COUNTY OREGON

April 11, 2001

Dear Legislators:

I write to strongly oppose HB 3953. As you may know, Multnomah County passed an Ordinance in 1999 to require smoke-free workplaces, with a few exceptions such as bars and taverns. Our Ordinance was sponsored by Diane Linn and me after months of working with community members and businesses to craft a local proposal that would protect many workers from the health effects of second-hand smoke, but not cause undue economic hardship on businesses. The Ordinance received widespread support and works well for our community.

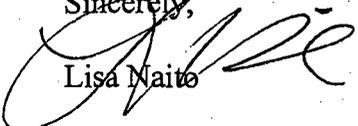
**HB 3953 eliminates most of the protections of our Ordinance.** Our Ordinance protects 97% of workers in our county from exposure to second-hand smoke. The bill extends protections only to restaurants. We had people working in offices and industrial areas that strongly advocated for protection from second-hand smoke. This bill would undermine our efforts to protect these workers. Many expressed fear about complaining to their employers about conditions, for fear of retaliation. Our compromise was to allow employers the ability to offer indoor smoking break rooms, as long as they were vented to the outdoors and a non-smoking break room was offered. For your information, I did not receive one call from an employer objecting to our Ordinance. Many appreciate a clear policy, so that they can provide an objective basis to dealing with the issues between smokers and non-smokers and avoid potential legal liability for the potential negative health effects on the non-smokers.

**HB3953 is vague regarding implementation and weak on enforcement.** Our Ordinance favored an approach of education and working with employers to achieve compliance. This has taken staff time, but has been a successful effort. Enforcement is a secondary approach and has been rarely needed.

**HB3953 preempts local government's ability to protect workers and the public from second-hand smoke, a proven health hazard.** The preemption clause strips our Ordinance of its protections and prohibits all local governments from regulating smoke in the workplace and places where children may be exposed to a known carcinogen.

County governments are charged with protecting the public health. There is no overriding state interest that justifies stripping county governments of this power. Please let us continue to protect our citizens' health and work in our local communities toward policies that work for us.

Sincerely,

  
Lisa Naito

Testimony of Gary Oxman, MD, MPH re: HB 3953  
House Smart Growth Committee  
April 11, 2001

Chairman Witt, Members of the Committee:

I am Dr. Gary Oxman. I serve as the Health Officer for Multnomah County, and also serve as the Health Officer representative to the Executive Committee of the Oregon Coalition of Local Health Officials.

Thank you for the opportunity to testify on HB 3953.

I want to convey two things to you today:

1. I want to give you my perspectives as a public health physician on HB 3953.
2. I also want to share with you the perspectives of Lisa Naito, one of our County Commissioners, about this bill.

From a public health perspective, HB 3953 is a distinct step backwards in protecting the health of the people of Oregon from the damage caused by tobacco smoke.

I want to be clear that I do not consider myself to be an activist in the area of tobacco prevention. I am a public health practitioner; my practice is based in the science of public health. The science around smoking and health tells us three essential things:

1. Smoking causes many serious health problems for people who smoke.
2. Secondhand smoke also causes serious health problems in people who are exposed.
3. Local community action is effective in decreasing smoking, and in decreasing exposure to second-hand smoke; state-level action is also important in supporting local communities, and in locking in the gains that local communities have made.

On July 1, 2000 Multnomah County implemented a Smokefree Workplaces Ordinance. This ordinance ensures that almost all workers in private and public sector workplaces are protected from exposure to secondhand tobacco smoke. Our ordinance protects about 97% of workers in Multnomah County from involuntary exposure to tobacco smoke at work. I've attached copies of our ordinance for your information.

This ordinance came about through the leadership of community members and elected officials. It was based on local circumstances and needs. It respected and addressed the special concerns of certain types of businesses that demonstrated that they would be negatively impacted. Specifically, bars, taverns, bingo halls, racetracks, truckstops, tobacco retailers and hotel/motel sleeping rooms were exempted from the requirements of the ordinance.

The ordinance has been successfully implemented. Our community chose to take an educational approach to compliance, and that has been very successful. We have had few

reported violations, and almost all of these have been resolved with modest effort. We chose to delay imposition of any fines for a year after initial implementation to allow businesses in our community to adapt to the ordinance requirements. When unintended consequences have been identified, our health department and County Board have made appropriate adjustments, with the support of local community activists.

From a public health perspective, our ordinance is a success. We have reduced exposure to second hand smoke, and have done so in a way that is well-supported in the community, has minimized the negative economic impacts on business, and that makes efficient use of scarce public resources.

Next, I'd like to share with you some of Commissioner Lisa Naito's comments on HB 3953. I have provided you with a copy of a letter from Commissioner Naito.

Commissioner Naito's letter really has two key points:

- 1) HB 3953 would supercede existing local ordinances, setting back workplace protection already enacted in Multnomah County and would prohibit any local government from future regulation of tobacco in the in ways that are more restrictive than state law.
- 2) On a statewide basis, the bill lowers the bar relative to what several communities have already done to protect the health of local community members.

So if passed, HB 3953 would undo the work that our community and other communities have done to protect the public from the negative health impacts of tobacco.

In terms of lowering the bar, the provisions of HB 3953 are weak compared to our local ordinance:

- HB 3953 would protect far fewer people from tobacco smoke than our existing ordinance. While it would maintain a prohibition on smoking in restaurants, that represent a small percentage of all worksites, it would reverse the more general prohibition on smoking in offices, factories, and other workplaces.
- HB 3953 is vague regarding implementation and weak regarding enforcement.
- HB 3953 actually increases the range of businesses exempt from the smokefree requirements of our ordinance. For example in bowling centers, HB 3953 could increase the exposure of children to tobacco smoke.

In her letter, Commissioner Naito expresses her belief that government, including city and county government, has a responsibility to protect the health and well-being of its people. For her this is a matter of local responsibility - particularly when there is no overriding state interest or positive action that justifies removing this power from local jurisdictions.

Thank you very much for the opportunity to testify today. I would be happy to address any questions you might have.

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3953**

1 On page 1 of the printed bill, delete lines 14 through 17.

2 After line 18, insert:

3 "(a) Smoking is not permitted in any restaurant, as defined in ORS  
4 624.010, except in those restaurants or areas of restaurants posted as off-  
5 limits to minors under rules promulgated by the Oregon Liquor Control  
6 Commission."

7 In line 19, delete "(a)" and insert "(b)" and after "624.010," insert "rooms  
8 or halls being used by a charitable, fraternal or religious organization to  
9 conduct bingo games under a license issued pursuant to ORS 464.270,".

10 Delete lines 22 through 24.

11 Delete lines 30 and 31 and insert:

12 **"SECTION 4. (1) A local government may not prohibit smoking in  
13 any areas of restaurants posted as off-limits to minors under rules  
14 promulgated by the Oregon Liquor Control Commission, in bowling  
15 centers, or in rooms or halls being used by a charitable, fraternal or  
16 religious organization to conduct bingo games under a license issued  
17 pursuant to ORS 464.270 unless the local government prohibition was  
18 passed before January 1, 1999."**

19

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# House Bill 3953

Sponsored by Representative BROWN (at the request of Oregon Restaurant Association)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Prohibits local governments from enacting smoking ordinances that are more restrictive than state law. Prohibits smoking in restaurants except in areas posted off-limits to minors.

### A BILL FOR AN ACT

1 Relating to smoking; creating new provisions; amending ORS 433.850; and repealing ORS 433.870.

2 **Be It Enacted by the People of the State of Oregon:**

3 **SECTION 1.** ORS 433.850 is amended to read:

4 433.850. (1) Pursuant to rules adopted by the Health Division, a proprietor or person in charge  
5 of a public place may designate areas in which smoking is permitted.

6 (2) No public place may be designated in its entirety as a smoking area except:

7 (a) Cocktail lounges and taverns.

8 (b) Enclosed offices or rooms occupied exclusively by smokers, even though the offices or rooms  
9 may be visited by nonsmokers.

10 (c) Rooms or halls being used for private social functions where the seating arrangements are  
11 under the control of the sponsor of the function.

12 (d) Retail businesses primarily engaged in the sale of tobacco or tobacco products.

13 (e) *[Restaurants with seating capacity for 30 or fewer patrons or restaurants with air filtration*  
14 *systems meeting the standards established pursuant to ORS 433.855.]* **Rooms or halls being used by**  
15 **a charitable, fraternal or religious organization to conduct bingo games under a license is-**  
16 **sued pursuant to ORS 464.270.**

17 (3) Notwithstanding any other provisions of ORS 433.835 to 433.875 and 433.990 (5)[,]:

18 (a) In the case of restaurants, as defined in ORS 624.010, or bowling centers, nothing in ORS  
19 433.835 to 433.875 and 433.990 (5) is intended to prevent the owner or person in charge from ex-  
20 panding or contracting the size of the smoking area to meet the requirements of patrons.

21 (b) **Smoking is not permitted in any restaurant, as defined in ORS 624.010, except in those**  
22 **restaurants or areas of restaurants posted as off-limits to minors under rules promulgated**  
23 **by the Oregon Liquor Control Commission.**

24 (4) The proprietor or person in charge of a public place, except places described in subsection  
25 (2) of this section, shall post appropriate signs.

26 **SECTION 2.** ORS 433.870 is repealed.

27 **SECTION 3.** Section 4 of this 2001 Act is added to and made a part of ORS 433.835 to  
28 433.875.

29 **SECTION 4.** (1) A local government may not prohibit smoking in any area where smoking  
30 is not prohibited by state law.  
31

NOTE: Matter in boldfaced type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in boldfaced type.

1       (2) As used in this section, "local government" means any county, district, municipality,  
2 port or political subdivision of this state.

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71st OREGON LEGISLATIVE ASSEMBLY--2001 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are within { + braces and plus signs + } .

LC 1394

B-Engrossed

House Bill 2680

Ordered by the House April 16

Including House Amendments dated March 2 and April 16

Sponsored by Representative WITT (at the request of Oregon Cable Telecommunications Association, Oregon Telecommunications Association, Verizon, Qwest)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Imposes requirements on local governments that provide telecommunication services to consumers. Requires that local government providing such services establish and charge prices or rates that are adequate to pay all direct and indirect costs incurred by local government in providing services. Provides exemptions under specified circumstances.

Requires annual full cost accounting of costs incurred by local governments in providing specified telecommunication services. Prohibits local government from paying direct or indirect costs incurred in providing telecommunication service if costs are not reflected in accounting.

Prohibits discrimination by local government against private telecommunication service providers.

Requires three-year cost projection before local government provides new telecommunication service.

A BILL FOR AN ACT

Relating to telecommunication services provided by local governments.

Be It Enacted by the People of the State of Oregon:

SECTION 1. { + Definitions. + } { + As used in sections 1 to 7 of this 2001 Act:

(1) 'Direct costs' means those expenses of a local government that are directly attributable to the provision of a telecommunication service and that would not be incurred if the local government ceased to provide the telecommunication service.

(2) 'Indirect costs' means any expenses of a local government that are not directly attributable to the provision of a telecommunication service but that are shared in the provision of a telecommunication service and one or more other utility

services, or that are shared in the provision of a telecommunication service and in the performance of other functions of the local government. 'Indirect costs' includes shared costs for administration, accounting services, personnel, purchasing, legal services and other staff or departmental support.

(3) 'Local government' means a city or any entity created by a city.

(4) 'Private provider' means any person, firm, partnership, corporation or association that offers a telecommunication service and that is not a local government.

(5) 'Telecommunication service' means providing to the public, for a fee:

(a) Cable television access; or

(b) Transmission of voice, video or data information chosen by the consumer, to recipients chosen by the consumer, without change in the form or content of the information sent and received.

(6) 'Utility service' means the provision of a telecommunication service to private consumers, the provision of electricity to private consumers or the provision of natural gas to private consumers. + )

SECTION 2. { + Minimum prices or rates for telecommunication services provided by local government. + } { + (1) Except as provided in subsection (2) of this section, a local government that provides a telecommunication service to consumers shall establish and charge prices or rates for the service that are adequate to pay all direct and indirect costs incurred by the local government in providing the service.

(2) If a local government proposes to provide a telecommunication service to an area in which the specific service to be provided is not already available from a private provider, the local government shall be exempt from the requirements of subsection (1) of this section if, before making the service available, the local government does all of the following:

(a) The local government mails notice to all private providers that are providing a telecommunication service within the boundaries of the local government, and publishes notice in a newspaper of general circulation at least once each week for two weeks. The notice required under this paragraph must inform private providers that the local government intends to provide a specific telecommunication service, or is providing the service under the exemption provided by this subsection. The notice must indicate that a private provider may file a statement of interest within 60 days after the notice is mailed to the provider under this paragraph, or within 60 days after the final publication in the newspaper is made if the local government does not mail notice to the private provider under this paragraph.

(b) If any private provider files a statement of interest under the provisions of paragraph (a) of this subsection, the local government conducts at least one public hearing on the statement of interest and makes a record of the nature of the private provider's interest adequate to allow the local government to determine whether provision of the telecommunication service by the local government is in the public interest.

(3) The exemption provided by subsection (2) of this section does not apply to any telecommunication service provided by a local government that is substantially different from the service described in the notice to private providers required by

subsection (2) of this section. + }

SECTION 3. { + Full cost accounting for public telecommunication services; prohibition on paying any cost not reflected in accounting. + } { + (1) A local government that provides a telecommunication service shall prepare an annual accounting that records the full cost of providing the service, including all direct and indirect costs. The accounting must be prepared in accordance with generally accepted governmental accounting principles.

(2) Accountings prepared by a local government under subsection (1) of this section shall show the amount and source of capital, including working capital, utilized in providing the telecommunication service. In computing the indirect costs of providing the telecommunication service, the local government shall include amounts for franchise fees, regulatory fees, occupation taxes, pole attachment fees and ad valorem property taxes, calculated in the same manner as such amounts are calculated for any private provider paying such costs to the local government in the same service area, even though the local government does not pay those fees and taxes.

(3) If a local government provides one or more utility services in addition to the telecommunication service, indirect costs shall be allocated to the utility services in proportion to the actual benefit each utility service receives from the moneys expended.

(4) A local government may not pay any direct or indirect costs of providing a telecommunication service if those costs are not reflected in the accounting required by this section.

(5) Nothing in sections 1 to 7 of this 2001 Act precludes a local government from using capital from any lawful source, including the general fund of the local government, if the reasonable cost of the capital is accounted for as a cost of providing the telecommunication service in the accounting required by this section. + }

SECTION 4. { + Prohibitions on discrimination by local government against private providers. + } { + (1) In setting franchise terms and conditions, conditions of access to public property and conditions of pole attachment, a local government may not grant another local government providing telecommunication services terms and conditions that are more favorable than the terms and conditions imposed by the local government upon any private provider providing telecommunication services within the boundaries of the local government.

(2) A local government that is authorized to grant franchises may not:

(a) Impose or enforce any ordinance, charter provision or regulation on any private provider that is not also applicable to a local government providing telecommunication services;

(b) Unreasonably withhold a request by a private provider to transfer, modify or renew an existing franchise in accordance with the terms of the franchise and in accordance with the provisions of 47 U.S.C. 537, 545 and 546; or

(c) Discriminate in any other way between a local government providing telecommunication services and a private provider.

(3) In any action by a local government to enforce any term or condition of a franchise agreement, a private provider may assert as a defense any violation of this section by the local government.

(4) Nothing contained in this section limits the authority of a local government that is authorized to grant franchises to

collect franchise fees, to control and regulate the streets and public ways within the boundaries of the local government or to exercise the powers of the local government to provide for the public health, safety and welfare. + }

SECTION 5. { + Projection of costs of new telecommunication service. + } { + (1) Before commencing the provision of a telecommunication service, a local government must prepare a three-year cost projection that identifies all anticipated direct and indirect costs of providing the telecommunication service. The projection must also identify the revenues that the local government anticipates will be derived from providing the telecommunication service. The projection must include a cost-benefit analysis of providing the telecommunication service over the three-year period. The costs of providing the telecommunication service must be determined by using generally accepted governmental accounting principles as described in section 3 of this 2001 Act.

(2) Before commencing the provision of a telecommunication service, a local government shall conduct at least one public hearing. A notice of the time, place and date of the hearing shall be published in a newspaper of general circulation within the boundaries of the local government once a week for the two weeks preceding the week in which the hearing is to be held. + }

SECTION 6. { + Public records; public meetings. + } { + (1) All records of a local government relating to the provision of a telecommunication service are subject to ORS 192.410 to 192.505.

(2) All meetings of a local government relating to the provision of a telecommunication service are subject to ORS 192.610 to 192.690. + }

SECTION 7. { + Exemptions. Sections 1 to 7 of this 2001 Act do not apply to:

- (1) Any library that provides a telecommunication service;
- (2) Any telecommunication service provided by a local government to a public body as defined in ORS 192.410; or
- (3) Any telecommunication service provided by a local government as part of a 9-1-1 emergency reporting system or other telecommunications network for police, fire or public safety purposes. + }

SECTION 8. { + Captions. + } { + The section captions used in this 2001 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2001 Act. + }

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# House Bill 2744

Sponsored by Representative KNOPP; Senator R BEYER

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Prohibits local governments from setting minimum wage requirements except for certain public employers.

## A BILL FOR AN ACT

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Relating to minimum wage requirements.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1. (1) As used in this section:**

(a) **"Local government" includes a county, city, district or other public corporation, authority or entity organized and existing under statute or city or county charter.**

(b) **"Public employer" means a political subdivision of the State of Oregon, including counties, cities, community colleges, school districts, districts, as defined in ORS 198.010 and 198.180, and public and quasi-public corporations.**

(2) **Except as provided in subsection (3) of this section, the State of Oregon preempts all charter and statutory authority of local governments to set any minimum wage requirements.**

(3) **A local government may set minimum wage requirements for public employers.**

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NOTE: Matter in boldfaced type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in boldfaced type.

## 71st OREGON LEGISLATIVE ASSEMBLY--2001 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are within { + braces and plus signs + } .

LC 3445

## House Joint Resolution 47

Sponsored by Representative JENSON

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Proposes amendment to Oregon Constitution to provide that limitations on civil forfeiture do not apply to forfeiture of animals.

Refers proposed amendment to people for their approval or rejection at next regular general election.

## JOINT RESOLUTION

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. Section 10, Article XV of the Constitution of the State of Oregon, is amended to read:

{ + Sec. 10. + } The Oregon Property Protection Act of 2000.

(1) This section may be known and shall be cited as the 'Oregon Property Protection Act of 2000. '

(2) Statement of principles. The People, in the exercise of the power reserved to them under the Constitution of the State of Oregon, declare that:

(a) A basic tenet of a democratic society is that a person is presumed innocent and should not be punished until proven guilty;

(b) The property of a person should not be forfeited in a forfeiture proceeding by government unless and until that person is convicted of a crime involving the property;

(c) The value of property forfeited should be proportional to the specific conduct for which the owner of the property has been convicted; and

(d) Proceeds from forfeited property should be used for treatment of drug abuse unless otherwise specified by law for another purpose.

(3) Forfeitures prohibited without conviction. No judgment of forfeiture of property in a civil forfeiture proceeding by the State or any of its political subdivisions shall be allowed or entered until and unless the owner of the property is convicted of a crime in Oregon or another jurisdiction and the property is found by clear and convincing evidence to have been instrumental in committing or facilitating the crime or to be proceeds of that

crime. The value of the property forfeited under the provisions of this subsection shall not be excessive and shall be substantially proportional to the specific conduct for which the owner of the property has been convicted. For purposes of this section, 'property' means any interest in anything of value, including the whole of any lot or tract of land and tangible and intangible personal property, including currency, instruments or securities or any other kind of privilege, interest, claim or right whether due or to become due. { + For purposes of this section, 'property' does not include an animal. + } Nothing in this section shall prohibit a person from voluntarily giving a judgment of forfeiture.

(4) Protection of innocent property owners. In a civil forfeiture proceeding if a financial institution claiming an interest in the property demonstrates that it holds an interest, its interest shall not be subject to forfeiture.

In a civil forfeiture proceeding if a person claiming an interest in the property, other than a financial institution or a defendant who has been charged with or convicted of a crime involving that property, demonstrates that the person has an interest in the property, that person's interest shall not be subject to forfeiture unless:

(a) The forfeiting agency proves by clear and convincing evidence that the person took the property or the interest with the intent to defeat the forfeiture; or

(b) A conviction under subsection (3) is later obtained against the person.

(5) Exception for unclaimed property and contraband. Notwithstanding the provisions of subsection (3) of this section, if, following notice to all persons known to have an interest or who may have an interest, no person claims an interest in the seized property or if the property is contraband, a judgment of forfeiture may be allowed and entered without a criminal conviction. For purposes of this subsection, 'contraband' means personal property, articles or things, including but not limited to controlled substances or drug paraphernalia, that a person is prohibited by Oregon statute or local ordinance from producing, obtaining or possessing.

(6) Law enforcement seizures unaffected. Nothing in this section shall be construed to affect the temporary seizure of property for evidentiary, forfeiture, or protective purposes, or to alter the power of the Governor to remit fines or forfeitures under Article V, Section 14, of this Constitution.

(7) Disposition of property and proceeds to drug treatment. Any sale of forfeited property shall be conducted in a commercially reasonable manner. Property or proceeds forfeited under subsections (3), (5), or (8) of this section shall not be used for law enforcement purposes but shall be distributed or applied in the following order:

(a) To the satisfaction of any foreclosed liens, security interests and contracts in the order of their priority;

(b) To the State or any of its political subdivisions for actual and reasonable expenses related to the costs of the forfeiture proceeding, including attorney fees, storage, maintenance, management, and disposition of the property incurred in connection with the sale of any forfeited property in an amount not to exceed twenty-five percent of the total proceeds in any single forfeiture;

(c) To the State or any of its political subdivisions to be used exclusively for drug treatment, unless another disposition

is specially provided by law.

(8) State and federal sharing. The State of Oregon or any of its political subdivisions shall take all necessary steps to obtain shared property or proceeds from the United States Department of Justice resulting from a forfeiture. Any property or proceeds received from the United States Department of Justice by the State of Oregon or any of its political subdivisions shall be applied as provided in subsection (7) of this section.

(9) Restrictions on State transfers. Neither the State of Oregon, its political subdivisions, nor any forfeiting agency shall transfer forfeiture proceedings to the federal government unless a state court has affirmatively found that:

(a) The activity giving rise to the forfeiture is interstate in nature and sufficiently complex to justify the transfer;

(b) The seized property may only be forfeited under federal law; or

(c) Pursuing forfeiture under state law would unduly burden the state forfeiting agencies.

(10) Penalty for violations. Any person acting under color of law, official title or position who takes any action intending to conceal, transfer, withhold, retain, divert or otherwise prevent any proceeds, conveyances, real property, or any things of value forfeited under the law of this State or the United States from being applied, deposited or used in accordance with subsections (7), (8) or (9) of this section shall be subject to a civil penalty in an amount treble the value of the forfeited property concealed, transferred, withheld, retained or diverted. Nothing in this subsection shall be construed to impair judicial immunity if otherwise applicable.

(11) Reporting requirement. All forfeiting agencies shall report the nature and disposition of all property and proceeds seized for forfeiture or forfeited to a State asset forfeiture oversight committee that is independent of any forfeiting agency. The asset forfeiture oversight committee shall generate and make available to the public an annual report of the information collected. The asset forfeiture oversight committee shall also make recommendations to ensure that asset forfeiture proceedings are handled in a manner that is fair to innocent property owners and interest holders.

(12) Severability. If any part of this section or its application to any person or circumstance is held to be invalid for any reason, then the remaining parts or applications to any persons or circumstances shall not be affected but shall remain in full force and effect.

PARAGRAPH 2. { + The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state. + }

-----

## 71st OREGON LEGISLATIVE ASSEMBLY--2001 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are within { + braces and plus signs + } .

LC 3777

## House Joint Resolution 58

Sponsored by Representative MERKLEY; Representatives BACKLUND, BECK, BOWMAN, DEVLIN, JENSON, KAFOURY, KNOPP, KRIEGER, KRUSE, LOWE, MARCH, TOMEI, C WALKER, V WALKER, WILLIAMS, WITT (at the request of Stephan Otto)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Proposes amendment to Oregon Constitution to provide that limitations on civil forfeiture do not apply to forfeiture of animals.

Refers proposed amendment to people for their approval or rejection at next regular general election.

## JOINT RESOLUTION

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(a) A basic tenet of a democratic society is that a person is presumed innocent and should not be punished until proven guilty;

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(d) Proceeds from forfeited property should be used for treatment of drug abuse unless otherwise specified by law for another purpose.

(3) Forfeitures prohibited without conviction. No judgment of forfeiture of property in a civil forfeiture proceeding by the State or any of its political subdivisions shall be allowed or entered until and unless the owner of the property is convicted

of a crime in Oregon or another jurisdiction and the property is found by clear and convincing evidence to have been instrumental in committing or facilitating the crime or to be proceeds of that crime. The value of the property forfeited under the provisions of this subsection shall not be excessive and shall be substantially proportional to the specific conduct for which the owner of the property has been convicted. For purposes of this section, 'property' means any interest in anything of value, including the whole of any lot or tract of land and tangible and intangible personal property, including currency, instruments or securities or any other kind of privilege, interest, claim or right whether due or to become due. { + For purposes of this section, 'property' does not include an animal. + } Nothing in this section shall prohibit a person from voluntarily giving a judgment of forfeiture.

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any single forfeiture;

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(8) State and federal sharing. The State of Oregon or any of its political subdivisions shall take all necessary steps to obtain shared property or proceeds from the United States Department of Justice resulting from a forfeiture. Any property or proceeds received from the United States Department of Justice by the State of Oregon or any of its political subdivisions shall be applied as provided in subsection (7) of this section.

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(10) Penalty for violations. Any person acting under color of law, official title or position who takes any action intending to conceal, transfer, withhold, retain, divert or otherwise prevent any proceeds, conveyances, real property, or any things of value forfeited under the law of this State or the United States from being applied, deposited or used in accordance with subsections (7), (8) or (9) of this section shall be subject to a civil penalty in an amount treble the value of the forfeited property concealed, transferred, withheld, retained or diverted. Nothing in this subsection shall be construed to impair judicial immunity if otherwise applicable.

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PARAGRAPH 2. { + The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at the next regular general election held throughout this state. + }

### Health Improvement Initiative

Oregonians have long prided themselves on the livability of their communities, livability that is strengthened by the state-local continuum of preventive and crisis care health services. But gaps are growing along this continuum and many basic services are strained beyond their capacity. These gaps and capacity losses leave our citizens without necessary public health and mental health protection and without the power to prevent intractable health and social problems which can compound over time. In addition, our current public and mental health system has too few resources to meet the needs of Oregon's growing racial and ethnic minority communities.

As the first line of defense against infectious disease, the state-local public health system is deteriorating and many Oregonians are falling through the cracks. Incidences are increasing dramatically, especially among working families who are ineligible for the Oregon Health Plan (OHP). For example, four to nine times more cases of preventable Hepatitis A and B were reported per capita in Oregon in 1999 than in Alabama or Louisiana. Without adequate outbreak response, public outreach and education, these and other preventable diseases will not only spread needlessly, but will also contribute to other statewide problems including collateral illnesses, lost hours from work and school and declining quality-of-life indicators such as shorter life spans.

Oregon's mental health infrastructure is also laboring to meet excessive need. Two-thirds of the estimated 339,000 adults and children needing services for serious mental illnesses went without care in 1999 due to lack of capacity. The statewide need is not far from the national experience. A recent report by the U.S. Surgeon General estimates that one in 10 children in the nation suffers from mental illnesses severe enough to impair development. An even greater share of the need for alcohol and drug treatment in Oregon was not served in 1999. As with the public health system, many of those most in need are not eligible for OHP and many more are not diagnosable until adolescence, well beyond the Governor's zero-to-eight year-old age range for the proposed Oregon Children's Plan. The inability of county mental health programs to provide prevention and early intervention will cause increased treatment costs as illnesses progress unchecked and are addressed in costlier settings, such as jails, juvenile facilities or on the streets.

To address these needs, the Association of Oregon Counties, the Association of Oregon County Mental Health Programs and the Coalition of Local Health Officials are supporting the following legislative recommendations:

- **Improve policies and structure for increased effectiveness and efficiency**
- **Close local service gaps**
- **Each county will guide expenditure of funds based on local plans/priorities**

Contact: Multnomah County Commissioner Diane Linn, (503) 988-3308  
Association of Oregon Counties Policy Manager Gordon Fultz, (503) 585-8351

## Health Improvement Initiative *(Continued)*

- **Improve policies and structure for increased effectiveness and efficiency**
- **Close local service gaps**
- **Each county will guide expenditure of funds based on local plans/priorities**

- \$15 million package to improve county health department capacity and communicable disease services, as documented in local plans, with necessary technical assistance from the state.
- \$15 million package to provide a comprehensive system of mental health care for all persons in need and to ensure that necessary specialty/crisis services for local infrastructure would be available for each county. These services were originally included in a State Mental Health Division request and are supported by local needs data.
- \$5.7 million cost-of-living package for the local mental health system and Medicaid fee for service in the extended and enhanced care programs. Without this cost of living enhancement, mental health programs will lose more capacity to provide needed services.
- \$14 million package in the Governor's budget to provide mental health and alcohol and drug services to children (0-8) and their families. However, this money needs to be allocated to counties in order to prepare for needed services. The proposed voucher system may not allow some counties to provide these services.

Maintaining a strong state-local continuum of preventive and crisis care health services is essential to maintaining the high degree of livability Oregonians expect of their diverse communities. By filling the gaps in services and bringing capacity back in balance with need, this Health Improvement Initiative will not only save taxpayer dollars in the form of fewer incarcerations and lost hours from work and school, but also improve our state's renowned quality of life.

## **SUGGESTED LEGISLATIVE MESSAGES FOR AOC HEALTH INITIATIVE**

**Tobacco Settlement Dollars were intended to be expended for this kind of public protection/service programs—The Association of Oregon Counties (AOC), the Coalition of Local Health Officials (CLHO) and the Association of Community Mental Health Programs (AOCMHP) have supported HB 2007 (1999) and BM 89 for that purpose.**

**At the request of the State Department of Human Services (DHS) and the Health and Mental Health Divisions, the AOC, AOCMHP and CLHO spent the last two years identifying specific critical gaps in local public and mental health services. The identified needs were addressed and funded in several DHS budget packages, which the Governor did not include in his budget. The combined packages totaled \$ 42 million. The AOC package requests \$30 million for the same services plus \$5.7 million for cost of living adjustments (COLAS).**

**Oregon can't afford to not invest these dollars to save taxpayer dollars later—our public protection health services and prevention/early intervention mental health services will save money in more expensive treatment or care later (institutions, hospitals, jails)--we are asking for less than 10% of Settlement dollars per biennium.**

**While we support the concept of the Governor's Children's Plan, we are concerned that the system of care is already under funded and can not address new patients unless adequate funding is provided—We believe Healthy Start should be rolled out to all counties, the early assessment system should be established and treatment money for Mental Health and Alcohol and Drug should be given to counties in a flexible form along with dollars from the Tobacco Settlement.**

April 2001

Oregon House of Representatives  
State Capitol  
Salem, OR 97310

Dear Honorable Members of the Oregon House of Representatives:

Multnomah County urges you to oppose HB 2680-B.

The bill prohibits local governments from providing telecommunications services to its neighboring governmental partners. This government-to-government collaboration allows an organization such as Multnomah County to serve both its citizens and employees by using telecommunications infrastructure owned and maintained by the City of Portland. This partnership results in significant savings to the taxpayer of our region. In fact, without this partnership, telecommunications services would be cost-prohibitive to Multnomah County.

If HB 2680 becomes law, the City of Portland would be forced to charge its partners market rates, impute non-existent costs, and develop accounting systems that are irrelevant to government-to-government partnerships. The end result would undoubtedly create duplication of existing services in the urban areas and significant gaps in service in rural areas.

The Association of Oregon Counties (AOC) considers statewide telecommunications access and infrastructure a priority this legislative session. Multnomah County supports local communities' efforts to develop the innovative partnerships required to deliver these services. HB 2680 would prohibit AOC or any other effort to deliver telecommunications services to all Oregonians.

Sincerely,

Bill Farver  
Interim Chair

Pauline Anderson  
Interim Commissioner, District 1

Serena Cruz  
Commissioner, District 2

Lisa Naito  
Commissioner, District 3

Lonnie Roberts  
Commissioner, District 4

Cc: Governor John A. Kitzhaber  
Cecilia Johnson, Director, Multnomah County Support Services  
Lisa Yeo, Information Services Officer, Multnomah County Support Services



# 2001 Legislative Agenda



## **Support Living Wages for Oregon's Families**

Multnomah County established a Living Wage Review Board to recommend strategies for improving wages and benefits of employees of county contractors. The county encourages the Legislature to increase the wages and benefits of its contract employees and to restore flexibility to the county where we use state funds to contract for services.

## **Multnomah County Opposes HB 2744**

House Bill 2744 prohibits local governments from imposing living wage requirements except for public employers and in specification for public contracts entered into by the local government.

Multnomah County opposed HB 2744 for a variety of reasons:

- **HB 2744 threatens local control.**

Local governments should have the authority to set the terms and conditions for the programs they are funding. In Multnomah County, we have chosen to set standards of economic fairness and quality of service requirements on contractors throughout the county.

- **HB 2744 threatens local progress.**

In July 2000, Multnomah County established the Living Wage Review Board to set an appropriate living wage for many of the county's contract service workers: custodial, security, food service, and in-home, health care workers. HB 2744 would silence the open dialogue between the community, non-profit organizations, labor representatives, living wage advocates and citizens on this issue.

- **HB 2744 threatens local benchmark achievements.**

Multnomah County sets policy by local benchmarks, or guiding principles, such as reducing poverty. Raising employees' wages to livable and appropriate levels helps to achieve this benchmark by reducing turnover rates, reducing hiring and training costs, and assisting working families who receive little or no medical benefits with health care.

- **HB 2744 threatens employees of private corporations.**



## MULTNOMAH COUNTY OREGON

BOARD OF COUNTY COMMISSIONERS  
501 SE Hawthorne, Suite 600  
PORTLAND, OREGON 97214  
(503) 988-3308  
(503) 988-5440 (FAX)

BILL FARVER ● CHAIR  
PAULINE ANDERSON ● DISTRICT 1 COMMISSIONER  
SERENA CRUZ ● DISTRICT 2 COMMISSIONER  
LISA NAITO ● DISTRICT 3 COMMISSIONER  
LONNIE ROBERTS ● DISTRICT 4 COMMISSIONER

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April 19, 2001

Dear Legislators:

The Multnomah Board of County Commissioners is writing in firm opposition to HB 3953 as it would preempt local communities from taking measures to combat the serious public health implications of tobacco use.

While members of the Board have varying degrees of interest in the issue of tobacco control legislation, we share a concern about a bill that threatens an already existing ordinance in our community as well as ordinances in other communities around the state. We also assert that any attempt to reduce a local jurisdiction's control over enhancing such a local law goes beyond the purview of the legislature.

In Oregon we have a shared state and local responsibility to assure public health. In the absence of a high statewide standard around this or any public health issue it is imperative that local communities take on this responsibility.

Local communities must retain the right to develop their own policies in order to address not only tobacco use but also other issues related to the public health.

We believe that the minority report for HB 3953 is a reasonable compromise. We believe that the legislature should adopt policies that create a floor on these matters rather than a ceiling. **Therefore will support the minority report and strongly urge a NO vote on the majority bill.**

Sincerely,

Bill Farver  
Interim Board Chair

Pauline Anderson  
Interim Commissioner  
District 1

Lisa Naito  
Commissioner  
District 3

Lonnie Roberts  
Commissioner  
District 4

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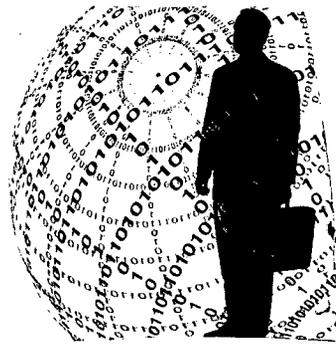
lpatton@bigplanet.com

Big ID# 4798600501

<http://dwp.bigplanet.com/lpatton>

INDEPENDENT REPRESENTATIVE

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MEETING DATE: APR 17 2001  
AGENDA NO: B-2  
ESTIMATED START TIME: 11:30 Am  
LOCATION: BLL CONFERENCE 635

(Above Space for Board Clerk's Use ONLY)

AGENDA PLACEMENT FORM

SUBJECT: Living Wage Review Board's 2001 Report

BOARD BRIEFING: DATE REQUESTED: 3/14/01  
REQUESTED BY: Caleb Winter / Mimi Maduro  
AMOUNT OF TIME NEEDED: 30 minutes

REGULAR MEETING: DATE REQUESTED: \_\_\_\_\_  
AMOUNT OF TIME NEEDED: \_\_\_\_\_

DEPARTMENT: DSS DIVISION: Budget&Quality/ERU  
CONTACT: Caleb Winter TELEPHONE #: 503.988.5015 ext. 24192  
BLDG/ROOM #: 503/4

PERSON(S) MAKING PRESENTATION: Mimi Maduro and other LWRB members

ACTION REQUESTED:

INFORMATIONAL ONLY  POLICY DIRECTION  APPROVAL  OTHER

SUGGESTED AGENDA TITLE:

Living Wage Review Board's 2001 Report: Recommendations

SIGNATURES REQUIRED:

ELECTED OFFICIAL: \_\_\_\_\_  
(OR)  
DEPARTMENT MANAGER: M. Cecilia Johnson

ALL ACCOMPANYING DOCUMENTS MUST HAVE REQUIRED SIGNATURES

Any Questions: Call the Board Clerk @ (503) 988-3277 or email  
deborah.l.bogstad@co.multnomah.or.us

01 APR 17 PM 2:22  
MULTNOMAH COUNTY  
OREGON  
BOARD OF  
COUNTY COMMISSIONERS



**LIVING WAGE REVIEW BOARD**  
MULTNOMAH COUNTY, OREGON

501 SE Hawthorne Blvd., 4th Floor  
Portland, Oregon 97214

March 12, 2001

Beverly Stein, Multnomah County Chair  
Multnomah County  
501 SE Hawthorne Blvd., 6<sup>th</sup> Floor  
Portland, OR 97214

Dear Chair Stein,

Thank you for forming and supporting the Living Wage Review Board. This letter confirms the transmittal of the *Living Wage Review Board 2001 Fiscal Impact Report to Multnomah County Chair*, as required by Resolution 00-140.

The LWRB is pleased to submit one budgetary recommendation: all new procurements for mental health services will be covered by the County's existing living wage program. LWRB recommends the County set aside sufficient funds towards this recommendation which will have impact in two years as many mental health service contracts have been given a special exemption till June 30, 2002.

The LWRB also submits four non-budgetary recommendations to continue LWRB efforts to carry out mandate of Resolution 00-140. These are summarized as:

1. LWRB recommends that the Board of County Commissioners modify the existing living wage program be modified to add a criterion related to the wage levels within the bidding agency.
2. LWRB recommends that savings related to the mental health system redesign be prioritized towards employee compensation.
3. LWRB recommends that Departments work with the Department of Support Services Purchasing office to request that all current vendors be asked to post information about the Earned Income Credit.
4. LWRB recommends that the Chair's Office accepts occasional memoranda from our group in addition to our annual report.

Please carefully consider this report along with other County budget priorities. If you have any questions, please contact me at 503-247-1698 or County LWRB staff, Caleb Winter (503-988-5015, extension 24192).

Thank you for the County staff expertise to support our work and we hope that you will continue supporting the efforts of LWRB to address the County's living wage policy and program.

Sincerely,

Mimi Maduro, LWRB Chair

**LWRB Members:**

Multnomah County Commissioner Serena Cruz	Robyn Steely, Service Employees International Union
Bruce Miller, Tetra Tech/CMI	Kay Toran, Volunteers of America
Dave Raahahn, AFSCME Local 88	Kathy Tinkle, Multnomah County CFS
Ken Siedler, Janus/Harry's Mother	Van Le, Multnomah County DSS

Attachment

cc: Bill Farver, Rhys Scholes, Serena Cruz, Pauline Anderson, Lisa Naito, Lonnie Roberts

Living Wage Review Board

2001 Fiscal Impact Report to Multnomah County Chair

## **Living Wage Review Board 2001 Fiscal Impact Report**

### **A. Executive Summary**

The Living Wage Review Board (LWRB) was created in September 2000 (Resolution 00-140) to review County contracts and annually recommend to the Chair strategies for improving wages and benefits of employees of vendors. For the past four months, LWRB members have been working with County and vendor staff to discover ways to further this goal.

After four months of intense work, the LWRB concluded with six main points:

- 1) LWRB's mandate to further living wage efforts at Multnomah County;
- 2) The Board of County Commissioners has requested that LWRB prioritize mental health;
- 3) The mental health system is in the middle of a redesign process;
- 4) LWRB's analysis of 4 sample mental health vendors' data show that the cost of increasing wages can be less than 2% of the entire amounts we are contracting with these vendors;
- 5) LWRB is concerned about wages and benefits for all staff at vendors Multnomah County contracts with;
- 6) The success of the County's living wage program using RFP scoring procedures to encourage vendors who want to win the contract to pay higher compensation.

These six points lead us to believe that we have a timely and feasible opportunity to use County contracting practices to increase the wages for mental health services contract workers.

#### **One Budgetary Recommendation to Increase Living Wage**

1. **LWRB recommends that the Board of County Commissioners determine that all new procurements for mental health services to be covered by the County's existing living wage program.** We recommend that the County set aside sufficient funds towards this recommendation which will have impact in two years as many mental health service contracts have been given a special exemption till June 30, 2002. The County's existing living wage program uses \$9.58 total compensation figure. LWRB at present, does not endorse \$9.58 as the County's official living wage and will discuss in the future the topic of one official living wage for all County vendors and all contracted positions.

#### **Four Non-budgetary Recommendations to Continue Living Wage**

2. **LWRB recommends that the Board of County Commissioners modify the existing living wage program to add a criterion related to the wage levels for all staff at the bidding vendor.** For example, bids could be scored on the % of entire vendor staff over \$11.58 in total compensation. \$11.58 is the recommended living wage figure by the Northwest Job Gap study for a single adult with no children in Multnomah County. LWRB would like to work with staff on the existing program to articulate this new criterion so that it is fair to vendors, reflective of LWRB interests and easy to implement on all procurements, as soon as possible. LWRB will pay particular attention to ways to weight this criterion to ensure its influence in total evaluation of potential vendors.

3. **LWRB recommends that any savings related to the mental health system redesign be prioritized for employee compensation.** We also recommend that vendors continue working together for the purpose of negotiating for better employee benefits.
4. **LWRB recommends that all Departments work with the Department of Support Services Purchasing office to request that all current vendors be asked to post information about the Earned Income Credit program.** We further recommend that Purchasing adds to procurement and contracting processes language that requires new vendors to post the information about the credit, as soon as possible.
5. **LWRB recommends that the Chair's Office accept occasional memoranda from our group in addition to our annual report.**

LWRB will also start three types of administrative actions as soon as possible.

1. LWRB will work with County contracts and legal staff to explore and enact small improvements in procurement and contracting language/processes or records to facilitate LWRB work on a long-term basis.
2. LWRB will work with the Public Affairs Office and Operating Council to create two information campaigns about living wage across departments and around the region. This will also support our work to strategically advocate for living wage as needed.
3. LWRB will further explore the health benefits issues, whistleblower protection, and market wages for commonly contracted positions.

To implement the above recommendations and actions, it is important that the Budget and Quality Office's Evaluation/Research Unit's workplan continues to support our Board. At present, the Living Wage staff support position is being proposed for a cut although the Unit has informed us that they will take staff the LWRB with other staff. LWRB will keep you apprised of the situation and make a recommendation for further assistance, if necessary.

Our effectiveness and productivity as a Board is related to the staffing assistance that LWRB receives. The work from the Evaluation/Research Unit these past months is much appreciated as is the support from your Office by ensuring regular attendance of a Chair Staff member.

LWRB has also greatly benefited from County staff expertise to support our work and in particular would like to thank Contracting and Purchasing staff all around the County. They have been incredibly responsive and responsible.

Thank you very much for your consideration and LWRB members greatly appreciate the opportunity to work on increasing living wages at Multnomah County.

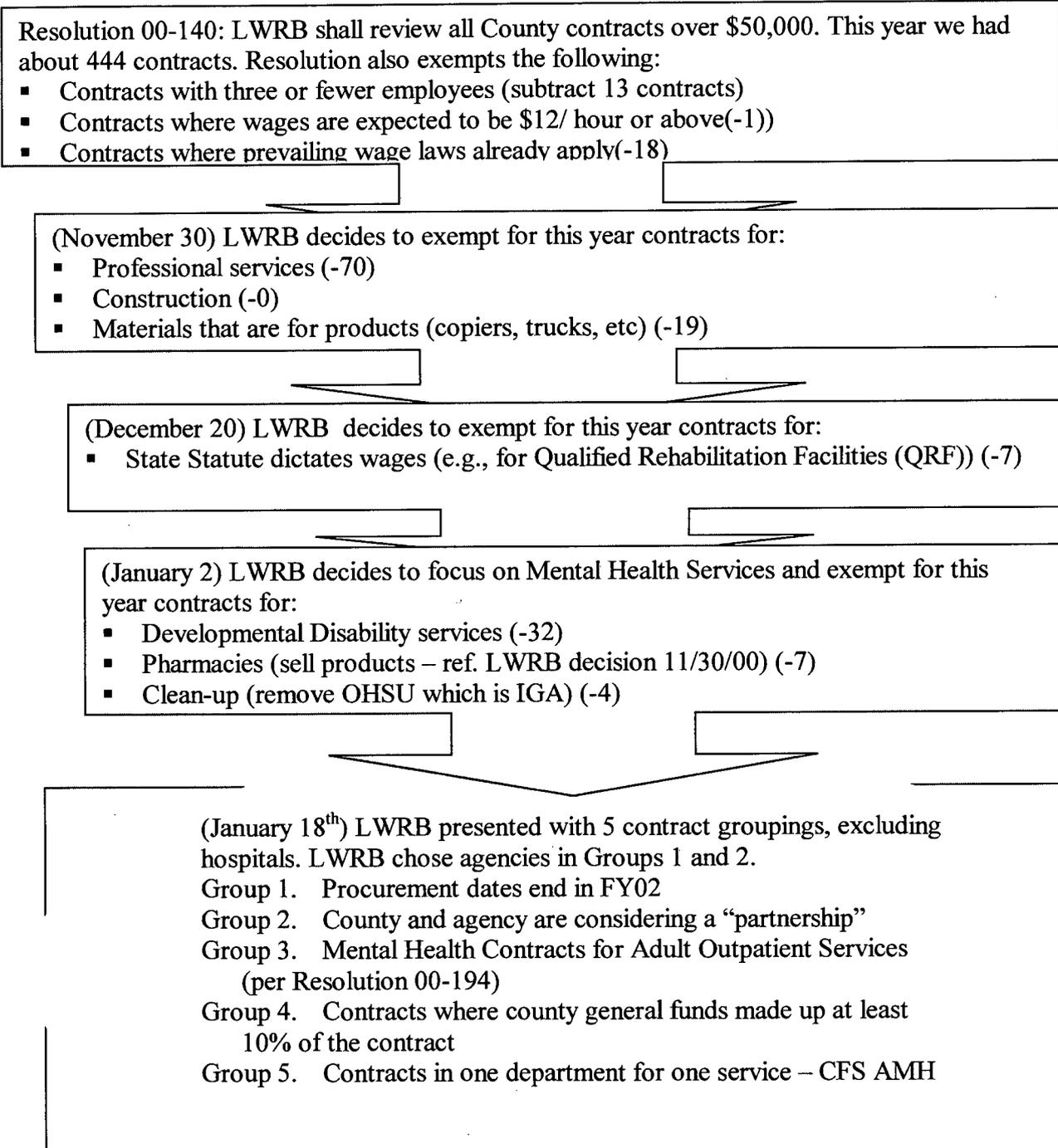
## B. Background and Acknowledgements

During the last four months, LWRB has met nine times. LWRB has reviewed County contracts as well as a variety of procedural, political and economic issues related to living wage compensation. Listed below are important factors in LWRB discussions these past four months.

- **Budget Limits** Multnomah County government is facing a budget cut of approximately 7% for the next fiscal year. Last year, Multnomah County vendors did not get a 3% Cost of Living Adjustment and there likely will not be an Adjustment this year either. There have also been state level cuts that will affect Multnomah County and its contracting vendors.
- **Mental Health Focus** The Board of County Commissioners Resolution 00-194 directed the LWRB to give high priority to the review of contracts for mental health services. LWRB has highlighted the mental health contracts in this year's review.
- **New Types of Contracting Relationships** Multnomah County's Contract Policy Team has recommended that under a variety of conditions Multnomah County should consider some vendors as partners. All five of the mental health vendors contacted for this year's wage review are potential candidates for this new type of contracting relationship.
- **State Activity on Local Living Wage Ordinances** In the next few months, one of the Legislature Committees will be deliberating on a bill to prohibit local governments from setting minimum wage requirements except for certain public employers. LWRB will be sending a letter to oppose this bill as it can limit local control. There has also been a bill to require the Department of Human Services to make sure all of their contracts are paying living wages to contracted and subcontracted employees by 2004. LWRB will also write to support this resolution.
- **Vendor Concerns** On February 1<sup>st</sup>, LWRB hosted an input meeting for representatives of leadership from five mental health vendors which contracts with Multnomah County. These vendors shared their ideas and concerns about how implementation of living wages could affect their organizations. LWRB appreciates very much input from Leslie Ford, Network Behavioral Health CEO; Jim Gaynor, Unity CEO; and Jay Bloom, Morrison Center CEO. Some vendors also sent Human Resources staff: Helen Williams of Unity; Janet Timme of Mt. Hood Behavioral Health; and Becky Huckey of Trillium.
- **Limited Time for LWRB** There have been nine meetings since November 2000. Although this is a fuller meeting schedule than most boards, LWRB still needs more time. For example, it was not until the end of January that County staff was able to provide a usable list of all County contracts. LWRB spent the first 3 meetings becoming educated on issues related to living wage by reading the Northwest Policy Center's *Job Gap Study* and Van Le's *Living Wage Work Group Report on Wage Levels*. LWRB staff arranged for presentations from County professional staff in the following topics: benefits from Cathy O'Brien; budget from Mark Campbell; purchasing from Franna Hathaway; and also the existing living wage program from Bob Kieta. LWRB also heard about the City of Portland's Fair Wage and Benefit Ordinance from Bob Kieta.

### C. Process Steps and Decisions

The diagram below maps the series of decisions made by LWRB in its deliberations on applying living wages to County contracts. The result of the process below is the January 18<sup>th</sup> decision to focus on five mental health vendors, which have upcoming procurements and are being considered for potential contracting "partnerships" with the County.



The decision processes outlined above helped LWRB to select a small number of vendors for our consideration this first year. These five vendors and their \$18 million dollars worth of contracts are listed in Table 1.

<b>Table 1. Vendors with contracts for upcoming procurement and potential partner-contracts</b>			
<b>Vendor</b>	<b>Dept</b>	<b>Contracts with new procurements starting some time after July 2001</b>	<b>All other contracts with this vendor</b>
NETWORK BEHAVIORAL HEALTHCARE (\$3,179,009)	CFS	\$2,671,553 (\$1 (requirements funding) exemption procurement ends 6/30/02 for A&D Hearing Impaired/Lang Inter.)	\$507,456
UNITY INC (\$3,354,873)	CFS	\$2,005,697 (\$206,250 \$237,884 \$24,302 all NOI procurement ending 5/26/02 for Homeless CMI Transitional Housing)	\$803,848 \$483,166 \$62,162
MORRISON CENTER (\$3,338,366)	CFS DCJ	\$307,000 (\$13,000 exemption procurement ends 6/30/02 for A&D) \$661,620 (\$278,278 is an exemption for MHS Sex Offender eval and treatment)	\$431,822 \$102,422 \$1,835,502
EDGEFIELD CHILDRENS CENTER-now part of Morrison Center (\$3,390,256)	CFS	Morrison has contracts listed above for upcoming procurement	\$1,713,922 \$188,650 \$1,487,684
MT HOOD COMMUNITY MENTAL (\$2,651,322)	CFS DCJ	No current contracts with Mt. Hood are coming up for procurement for 2002	\$1,063,236 \$66,100 \$55,250 \$942,995 \$58,001 \$465,740
TRILLIUM FAMILY SERVICES INC (\$2,210,535)	CFS	No current contracts with Trillium are coming up for procurement for 2002	\$136,969 \$2,073,566
<b>TOTAL</b>		<b>\$5,645,870</b>	<b>\$12,478,491</b>

LWRB invited leadership representatives from these five selected mental health vendors to a meeting and asked for their reactions to our work and input to our thinking. Their input was important to our thinking and has been summarized in Appendix 3.

At the end of this meeting we asked the agencies for their employee wage data. We decided that for data collection purposes we would ask for vendors for information about employees whose wage and health compensation added up to less than \$12.00.

We asked for wage and health benefits dollar figure as representative of total compensation. We realized that some employees may have other benefits and are in fact being compensated at a

higher level, but given the data processing difficulties for vendors to calculate dollar values for each employee, LWRB decided to ask for only a health benefits dollar calculation.

We asked for wage data for all employees at a vendor because we felt that it was important to consider the entire wage environment for a vendor rather than just focus on Multnomah County contract employees only. Also, we had not decided which group of employees to target: all employees at a vendor at specific compensation levels; only Multnomah County contracted vendors; only employees at the lowest wage level; only employees working on contracts with specific funding streams; employees who were underpaid compared to market non-profit vendor wages; or employees in positions that were difficult to hire or experienced much turnover.

Four vendors agreed to send wage and health benefits data for all their employees. They also agreed, where possible, to identify the % of time each employee worked on a Multnomah County contract.

**Table 2: Five Mental Health Vendor February 2001 Profiles**

	<b>Total employees</b>	<b>Vendor Budget</b>	<b>Estimated Total MultCo Contracts</b>	<b>Estimated % of vendor budget</b>	<b>Vendor has upcoming procurement?</b>
Unity Inc.	434	\$16M	\$3M	25%	Yes
Morrison Center (includes former Edgefield)	279	16M	7M	40%	Yes
Network Behavioral Health	179	13M	3M	25%	Yes
Mt.Hood Community Mental Health	154	5M	3M	60%	No
Trillium	N/A	18M	2M	12%	No

It is important to note that vendors who provided wage data, did so in less than a two-week period. Trillium was the only vendor, which refused to give data. Trillium said that they felt their wage data was proprietary information but was willing to send a certified statement stating that they had no full time employees working for less than \$9.28 in wage and health benefit compensation.

Based on the February 2001 wage data provided by the four vendors, LWRB staff calculated fiscal impact for several scenarios. Table 3 has cost estimates for increasing compensation for all vendor employees whereas Table 4 provides calculations for the group of only employees on Multnomah County contracts. For each grouping we calculated fiscal impact for three different compensation levels: \$9.58; \$11.58 and \$12.00 for reasons below.

- \$9.58 is the 2000 CPI-W adjusted figure for the County's living wage program.
- \$11.58 is the 2000 CPI-W adjusted figure for 2000 from the Northwest Job Gap recommended \$10.36 figure for a single adult with no children in Multnomah County in 1996 dollars.
- \$12.00 is the cutoff in Resolution 00-140. LWRB does not have to review contracts where employees likely make more than \$12.00 per hour in total compensation.

Tables 3 and 4 also make clear that although according to John Thomas, County staff lawyer, that while Multnomah County is legally able to make certain compensation requirements for our vendors, we will be potentially causing some inequity problems for the vendor. This was also an

opinion we heard at the agency input meeting. And, unless a vendor is unionized, they are not required to resolve this inequity problem.

<b>Table 3: Fiscal impact to increase compensation for Multnomah County contracted employees and all other employees, February 2001</b>						
<b>Vendor Name</b>	<b>Cost to bring all employees (FT/PT/other) up to \$9.58 wage + health</b>	<b>#</b>	<b>Cost to bring all employees (FT/PT/other) up to \$11.58 wage + health</b>	<b>#</b>	<b>Cost to bring all employees (FT/PT/other) up to \$12.00 wage + health</b>	<b>#</b>
Unity Inc.	\$0	0	\$47,821	48	\$94,331	60
Morrison Center (includes former Edgefield)	\$99,462	69	\$450,456	186	\$569,913	197
Mt.Hood Community Mental Health	\$4,554	8	\$13,348	9	\$15,724	14
Network Behavioral Health provided data for Multnomah County contracted employees only						
Trillium will not give data because of proprietary concerns						
<b>One year cost and # of employees affected</b>	<b>\$104,016</b>	<b>77</b>	<b>\$511,625</b>	<b>243</b>	<b>\$679,968</b>	<b>271</b>

<b>Table 4: Fiscal impact to increase compensation for only employees contracted by Multnomah County, February 2001</b>						
<b>Vendor Name</b>	<b>Cost to bring employees (FT/PT/other) up to \$9.58 wage + health</b>	<b>#</b>	<b>Cost to bring employees (FT/PT/other) up to \$11.58 wage + health</b>	<b>#</b>	<b>Cost to bring employees (FT/PT/other) up to \$12.00 wage + health</b>	<b>#</b>
Unity Inc.	\$0	0	\$15,712	35	\$27,432	40
Morrison Center (includes former Edgefield)	\$36,589	15	\$117,904	55	\$145,265	59
Network Behavioral Health	\$1,121	21	\$15,161	36	\$27,237	48
Mt.Hood Community Mental Health could not separate employee time by contract until April 2 <sup>nd</sup> , 2001						
Trillium will not give data because of proprietary concerns						
<b>One year cost and # of employees affected</b>	<b>\$37,710</b>	<b>36</b>	<b>\$148,777</b>	<b>126</b>	<b>\$199,934</b>	<b>147</b>

## D. Discussion and Recommendations

The work in the previous section allowed LWRB to analyze wage data from four selected mental health vendors. LWRB discussion and recommendations below concerns all mental health service procurements, not just the procurements with this sample of four vendors.

Upon reviewing these fiscal impact scenarios and noted that all employees at Unity Inc. were receiving total compensation higher than the current Multnomah County Living Wage of \$9.58. This is in contrast to the other mental health vendors. We knew that Unity Inc. is a unionized vendor. We discussed the policy implications of potentially giving "wage subsidies" to vendors that are budgeting in a way that gives low level compensation to some of their employees.

Based on Table 4 we can see that to bring a sample of 36-147 Multnomah County contracted employees up to living wage compensation levels can cost between \$35,000 to \$200,000 for one year. These three vendors contract with Multnomah County for \$13 million in a variety of services including mental health. This means, for example, that to increase compensation for 147 Multnomah County contracted employees would cost \$200,000 or 1.5% of \$13M of the total contracts for these three vendors. Of course, this is only a sample and other vendors (e.g. hospital vendors) and specific types of mental health services (e.g. triage vs. outpatient) may have more or less of the total contract towards salary vs. expenses.

Upon reflection, LWRB concluded with six main points:

- 1) LWRB's mandate to further living wage efforts at Multnomah County;
- 2) The Board of County Commissioners has requested that LWRB prioritize mental health;
- 3) The mental health system is in the middle of a redesign process;
- 4) LWRB's analysis of 4 sample mental health vendors' data show that the cost of increasing wages can be less than 2% of the entire amounts we are contracting with these vendors;
- 5) LWRB is concerned about wages and benefits for all staff at vendors Multnomah County contracts with;
- 6) The success of the County's living wage program using RFP scoring procedures to encourage vendors who want to win the contract to pay higher compensation.

These six points lead us to believe that we have a timely and feasible opportunity to change County contracting practices to increase the wages for Multnomah County staff working on mental health services.

Consequently, we have one budgetary recommendation:

1. **LWRB recommends that the Board of County Commissioners determine that all new procurements for mental health services to be covered by the County's existing living wage program.** We recommend that the County set aside sufficient funds towards this recommendation which will have impact in two years as many mental health service contracts have been given a special exemption till June 30, 2002. The County's existing living wage program uses \$9.58 total compensation figure. LWRB at present, does not endorse \$9.58 as the County's official living wage and will discuss in the future the topic of one official living wage for all County vendors and all contracted positions.

LWRB does not recommend a specific dollar amount towards a specific vendor or a specific category of services. Instead, LWRB recommends that all mental health service procurements be added to the existing living wage program to be scored in terms of wages. LWRB understands that vendors under the existing living wage program do not subcontract County services without approval from the County. In these situations, the County extends living wage criteria to subcontractors.

We also have an associated non-budgetary recommendation:

1. **LWRB recommends that the Board of County Commissioners modify the existing living wage program to add a criterion related to the wage levels for all staff at the bidding vendor.** For example, bids could be scored on the % of entire vendor staff over \$11.58 in total compensation. \$11.58 is the recommended living wage figure by the Northwest Job Gap study for a single adult with no children in Multnomah County. LWRB would like to work with staff on the existing program to articulate this new criterion so that it is fair to vendors, reflective of LWRB interests and easy to implement on all procurements, as soon as possible. LWRB will pay particular attention to ways to weight this criterion to ensure its influence in total evaluation of potential vendors.

The combined intent of the two above recommendations is that it will encourage vendors to pay *as much as possible to as many employees as possible*. We believe that this competitive approach with a minimum of \$9.58 will further the spread and the amount of living wage among County contracted employees and County contracting vendors.

Our remaining three non-budgetary recommendations are:

2. **LWRB recommends that any savings related to the mental health system redesign be prioritized towards employee compensation.** We also recommend that vendors continue working together for the purpose of negotiating for better employee benefits.
3. **LWRB recommends that Departments work with the Department of Support Services Purchasing office to request that all current vendors be asked to post information about the Earned Income Credit.** We further recommend that Purchasing adds to procurement and contracting processes language that requires new vendors to post the information about the credit, as soon as possible. This is an aspect of the existing living wage program that we would like to expand to all contracts whether or not they are currently in the program.
4. **LWRB recommends that the Chair's Office accept occasional memoranda from our group in addition to our annual report.** We believe that we may have recommendations that would benefit from timely consideration and approval earlier than next March when our next report is due. For example, we have discovered that there is current confusion in the existing living wage program about whether to use the CPI-U or the CPI-W. After further study, we will make recommendations, if necessary on this issue.

LWRB will also start three types of administrative actions as soon as possible.

1. LWRB will work with County contracts and legal staff to explore and enact small improvements in procurement and contracting language/processes or records to facilitate LWRB work on a long-term basis. Improvements could include:
  - Additional language to require bidders and/or vendors to provide data on wages and benefits for each employee for the entire vendor.
  - Require in all bids and/or contracts job titles, brief job descriptions, # of FTE and likely wage and benefits for FT and PT employees in the position for the contract.
  - Require in all bids and/or contracts current information on their vendor budget and number of total, part-time and full time employees
  - Require in all bids and/or contracts a question about whether the (potential) vendor has a living wage program or is interested in information about living wage.
  - Modify new contract documents to state procurement dates for each service.
  - Request that Operating Council direct their Department managers to send LWRB bimonthly updates of their upcoming procurement planning schedule.
  
2. LWRB will work with the Public Affairs Office and Operating Council to create two information campaigns about living wage across departments and around the region. This will also support our work to strategically advocate for living wage as needed. Other aspects of this leadership role include:
  - Request that Operating Council direct their Department managers to notify LWRB before setting up living wage programs. After that, LWRB is available for program consultation.
  - Request that Operating Council members direct their Departments to briefly inform LWRB the final wage, procedures, and number of employees impacted.
  - Request that the Public Affairs Office help us by July 31<sup>st</sup> to produce a Living Wage brochure and other materials that could be used on an information campaign.

These campaigns would place LWRB in a leadership position to push for the spread of living wage discussions at the RFP planning stage very quickly. At present, very few County employees know about the existing living wage program. We would also like to help vendors to encourage other vendors that they contract with to find out about how Multnomah County competitively pushes the living wage agenda. Our focus and responsibility will remain Multnomah County contracts but we will also continue to press outside of the County (for example: writing a letter to oppose state restrictions on local living wage ordinances) when it is appropriate to do so.
  
3. LWRB will further explore the health benefits issues, whistleblower protection, and market wages for commonly contracted positions. These are complicated issues that we need to study further before proposing or taking action.

To implement the above recommendations and actions, it is important that the Budget and Quality Office's Evaluation/Research Unit's workplan continues to support our Board. At present, the Living Wage staff support position is being proposed for a cut although the Unit has informed us that they will take staff the LWRB with other staff. LWRB will keep you apprised of the situation and make a recommendation for further assistance, if necessary.

Our effectiveness and productivity as a Board is related to the staffing assistance that LWRB receives. The work from the Evaluation/Research Unit these past months is much appreciated as is the support from your Office by ensuring regular attendance of a Chair Staff member.

LWRB has also greatly benefited from County staff expertise to support our work and in particular would like to thank Contracting and Purchasing staff all around the County. They have been incredibly responsive and responsible.

Thank you very much for your consideration and LWRB members greatly appreciate the opportunity to work on increasing living wages at Multnomah County.

--end--

**Appendices:**

**Appendix 1:** Living Wage Review Board 2000-2001 membership list

**Appendix 2:** Multnomah County Living Wage Program/Policy

**Appendix 3.** Main themes from Vendor Input Meeting Discussion about the Seven Ideas

## Appendix 1: Living Wage Review Board 2000-2001 membership list

Name	Affiliation, title	Phone, email	Mailing address
Mimi Maduro (Chair)	Workforce Development Director, Cascade General, Inc.	Work: 503-247-1698 Cell: 503-807-6428 Fax: 503-247-1693 <a href="mailto:mimi@casgen.com">mimi@casgen.com</a>	5555 N Channel Ave. Portland, OR 97217
Kay Toran	President and CEO, Volunteers of America	Work: 503-235-8655 ext.214 Fax: 503-239-6223 <a href="mailto:ktoran@voaor.org">ktoran@voaor.org</a>	537 SE Alder St. Portland, OR 97214-2278
Kathy Tinkle	Deputy Director of Business Services, MultCo Dept of Community and Family Services	Work: 503-988-3691 ext.26858 Fax: 503-248-3379 <a href="mailto:Kathy.m.tinkle@co.multnomah.or.us">Kathy.m.tinkle@co.multnomah.or.us</a>	Commonwealth Building 421 SW 6th Ave Suite 700 Portland, OR 97204-1618
Robyn Steely	Political Organizer, Service Employees International Union (SEIU)	SEIU: 503-408-4032 ext.137 Fax: 503-408-4034 <a href="mailto:steely@opeuseiu.org">steely@opeuseiu.org</a>	10401 NE Halsey St. Portland, OR 97220
Bruce Miller	Regional Manager Northwest Operations, Tetra Tech/Construction Management and Inspection	Work: Cell: 503-888-7195 Fax: 503-652-3999 <a href="mailto:bmiller@tt-cmi.com">bmiller@tt-cmi.com</a>	8800 SE Sunnyside Rd., Ste. 116 Clackamas, OR 97015- 9786
Ken Siedler	Harry's Mother employee	Home: 503-262-8636 Fax: 503-233-8174 <a href="mailto:keneke@aracnet.com">keneke@aracnet.com</a>	7050 SE Yamhill Portland, OR 97215
Dave Raahahn	Counsel Representative, AFSCME Local 88	Work: 503-239-9858 Cell: 503-706-8834 Fax: 503-239-9441 <a href="mailto:raahahn@afscmecn75.com">raahahn@afscmecn75.com</a>	123 NE 3 <sup>rd</sup> Ave, Ste. 505 Portland, OR 97232
Van Le	Evaluator, MultCo Budget & Quality	Work: 503-988-5015 ext.24001 Fax: 503-988-4570 <a href="mailto:Van.t.le@co.multnomah.or.us">Van.t.le@co.multnomah.or.us</a>	501 SE Hawthorne Blvd., 4 <sup>th</sup> Floor, Portland, OR 97214
Serena Cruz	MultCo Commissioner, District 2	Work: 503-988-5219 Fax: 503-988-5440 <a href="mailto:Serena.m.cruz@co.multnomah.or.us">Serena.m.cruz@co.multnomah.or.us</a>	501 SE Hawthorne Blvd, 6 <sup>th</sup> Floor, Portland, OR 97214
Staff: Caleb Winter	Analyst, MultCo Budget & Quality	Work: 503-988-5015 ext.24192 Fax: 503-988-4570 <a href="mailto:Caleb.p.winter@co.multnomah.or.us">Caleb.p.winter@co.multnomah.or.us</a>	501 SE Hawthorne Blvd, 4 <sup>th</sup> Floor, Portland, OR 97214

## **Appendix 2: Multnomah County Living Wage Program/Policy**

Multnomah County's Living Wage Efforts has gone through four phases growing from a policy and practice restricted to Custodial contracts to the present review of all major County contracts by the Living Wage Review Board.

**1994 Starting point:** No living wage requirements or conditions and the lowest responsive bid was selected.

**1995 on Phase 1:** Custodial RFPs defined living wage as \$4.75 to \$10. Proposal bids were awarded points for having living wages.

**1998 on Phase 2 (237 employees<sup>1</sup>):** Custodial and Security RFPs defined living wage total compensation as \$9. Total compensation means wages and benefits (medical, dental, and retirement) would add up to \$9. Vendor with highest total compensation wins the highest number of points for living wage criterion.

Vendors were also required to do the following:

- Ensure living wage for all employees working on the contract
  - Vendor submits monthly certified payroll to relevant Department contract person.
  - Post contract changes, benefit package descriptions and Earned Income Tax Credit information for all employees to see
  - Notify and interview employees displaced by contract changes
  - Allow County access to vendor's work site and records related to contracts.
  - \$9 figure will be adjusted on the contract anniversary date each year by Consumer Price Index.
- Multnomah County Purchasing works with departments purchasing these services to oversee all aspects of this program.

**2000 on Phase 3 (300 employees):** Food Service RFPs were added to the Phase 2 program. The living wage total compensation figure was increased to \$9.28. At present, there are 9 vendors and 15 contracts covered in the Living Wage Program for custodial, security and food service contracts. The trend in this growth in the living wage program has been in higher wages, recognition of benefits as well as wages, a larger number of employees affected as well as an increasing number of contracts having a living wage. Anecdotally, there has also been increased quality and reduced services.

**2001 Phase 4** Living Wage Review Board (LWRB) reviews all major contracts and decided to focus on a set of mental health contracts. LWRB can decide to set specific living wages or actions for specific contracts or suggest types of contracts that can be included in the living wage program as outlined in Phase 2.

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<sup>1</sup> This is the total of all security and custodial employees in the contracted agency. It includes those whose wages are higher than the \$9.00 established in the program. We are still researching the number of food service employees.

### Appendix 3. Main themes from Vendor Input Meeting Discussion about the Seven Ideas

On February 1<sup>st</sup> the Living Wage Review Board hosted a meeting to receive input from 5 mental health vendors. Vendor representatives wrote comments regarding seven ideas on how to potentially apply living wages. Representatives were also asked rate the ideas in terms of feasibility and supportability.

Living Wage Idea	General rating
<u>Idea #1</u> Absolute Lowest Wage Idea: Increase wage/ total compensation for workers with lowest wage in vendor	Doable, or already done
<u>Idea #2</u> Relative Wage: Increase wage/ total comp for those workers under specific (e.g. \$9.28, \$10.07) living wage/total comp level	Depends on where line is drawn.
<u>Idea #3</u> Recruitment and Retention Problems /Turnover: Increase wages/ total comp for workers in positions whose compensation makes it difficult to hire qualified individuals and/or where there is a high rate of turnover.	Need to address class of worker, high priority to pay attention to
<u>Idea #4</u> Ability to Raise Wages Within Existing Funding: increase wages/ total comp for workers on contracts where Board of County Commissioners can reduce service (e.g # of clients served).	Feasible but not supportable.
<u>Idea #5</u> Absence of Statutory Limitations: increase wages/ total comp for workers on contracts are not covered by State laws that prohibit the County from modifying the provisions of the contract.	No voting recorded
<u>Idea #6</u> Pure Funding: increase wages/ total comp for workers whose compensation is 100% from Multco.	"
<u>Idea #7</u> Health Benefits: increase total comp by increasing benefits.	"

The comments on these seven ideas have been clustered into themes in the following two pages.

Generally speaking the story is as follows:

- Where does the money come from to pay for living wages?
- Even if there were money from service reduction, what do we decide to be a living wage? And, how would we choose the employees who would get an increase?
- Can't change wages for staff in some programs (e.g. slots).
- Many staff work for multiple contracts, and funding streams
- Raising wages would disqualify some people from low-income benefits.
- Mental health worker wage range is generally higher than \$9.28
- Raising wages for one group can causes equity, compression, fairness and possible resentment problems as lowest level wages are usually entry level, training positions.
- Turnover is an HR issue more than wages. The pool of qualified candidates is small. There are other factors besides wage in recruitment and retention.
- Look at compensation, not just benefits. At some vendors, staff vote on benefits which need to reflect staff diversity and wishes.
- One way to accomplish this is for nonprofit vendors and/or County could join together and gain purchasing power and flexibility.

Theme	Comment and comment number
Where does the money come from to pay for living wages?	<p>1.1. The obvious - where do we get funds to pay for any of these ? Variations? What kind of human resource reinvestment strategy can we craft?</p> <p>1.6 1) How many categories are we talking about "specific categories." 2) Will there be additional revenue to support increase?</p> <p>1.7 Where does the increase of needed money for payroll come from? Contract increase?</p> <p>2.2 I'm unsure how you can mandate a wage unless there is a significant increase in contracts to cover the cost.</p> <p>2.8 All the same issues and how do we develop additional revenue to pay additional costs (all of which are going up).</p> <p>4.7 It's \$77M question. There's finite amount of money in system - where do you squeeze the balloon? Where do you rob Peter to pay Paul.</p>
Service reduction is a difficult thing to do.	<p>2.9 How to develop political will or PR to own reduction in service for this?</p> <p>4.3 Not good for customers/consumers. Rather see a win-win relationship increase comp. and increase outcomes.</p> <p>4.6 Not a good way to go.</p>
Which "living wage" would we compare "low wage" employees to?	<p>2.1 It would be great to adopt the figure as comparable County positions. Anything less is difficult to justify.</p> <p>2.3 "Relativity" is always a moving/changing target. Definitions of same are fraught with real or perceived bias.</p> <p>2.5 "Market?" Non-profits are not part of real world. We don't know market - just track each other.</p> <p>2.6 How much longer before LWRB decides on a relative wage figure? Why not \$9.28 if we go with this idea?</p>
There are problems identifying the group of people.	<p>1.9 Fulltime vs. part time? Respite and/or irregular employees? Independent vendors? It does not include health and/or retirement insurance. May cause other issues for employees? Can cause resentment for other employees if left out.</p>
Can't change wages for staff in some programs.	<p>1.2 Rates paid for programs where lower paid staff work are set by model budgets that suggest paying well below \$9 per hour.</p>
Many staff work for multiple contracts, and funding streams	<p>5.2 Workers usually provide service under multiple - can't really</p> <p>6.1 FTE could be mult. Funded.</p> <p>6.3 Leslie doesn't have any.</p> <p>6.5 Workers usually provide service under multiple - can't separate</p>
Raising wages would disqualify some people from low-income benefits.	<p>1.3 Raising wages of lowest paid (which are peers of consumer interns) would disqualify their benefits</p> <p>1.4 Employees/consumers loss of benefits (SSI).</p>
Mental health	<p>4.4 Even if we raise lowest compensated employee, we aren't</p>

worker wage range is generally higher than \$9.28	dealing with those who make them In 20k. County is ??? pay more. 6.2 Outside mental health for Jay's org. High number of FTE who are funded solely by Multnomah County.
Raising wages for one group can causes equity, compression, fairness and possible resentment problems	1.5 Impact on salary structure reclassifying staff/adjusting salaries slightly above "living wage/total comp.", I.e., equity issues. 1.9 Fulltime vs. part time? Respite and/or irregular employees? Independent vendors? It does not include health and/or retirement insurance. May cause other issues for employees? Can cause resentment for other employees if left out. 2.4 Issues of: compression, competitive/recruiting issues, disparity of wage in other job categories, how to fund. 2.7 Ripple effect - pressure to raise all salaries (which needs to happen). 3.6 E.g., Intel (High Tech) versus the world compression, absences of recruitment, not enough qualified staff, limited pool of workers (a bigger issue than salary). 4.2 If you change wages on only these contracts - What about employees on other Multnomah County contracts? 6.4 Remembering the group violation of wages.
Lowest level wages are usually entry level, training positions.	1.10 Lowest level often is a training ground position that goes to other employees regardless 3.9 Entry level position, will always have a high turnover rate as these individuals move on in their careers.
Turnover is an HR issue more than wages	3.3 Our turnover rates have dropped substantially. 3.7 Ironically, medical staff on handout to recruit. Turnover seems to have settled for now (relatively speaking). The kind of infusion it would take to really improve retention would be large and again not mostly targeted towards folks below \$10.00 per hour. 3.10 This has some real cost-offset potential, e.g. cost of turnover at \$20k per person could be put back into salaries for retention. 3.11 GenXers' coming into marketplace - What they are looking for is different from ???.
The pool of qualified candidates is small. There are other factors besides wage in recruitment and retention.	2.4 Issues of: compression, competitive/recruiting issues, disparity of wage in other job categories, how to fund. 3.6 E.g., Intel (High Tech) versus the world compression, absences of recruitment, not enough qualified staff, limited pool of workers ( a bigger issue than salary). 3.8 Salaries are not the entire issue - aren't enough qualified/hirable individuals.
Look at compensation, not just benefits. In some vendors,	7.1 Employees vote on benefits. Don't want to take this out of their hands. 7.2 More and more diverse workforce means more diverse needs in benefits expectations.

<p>staff vote on benefits which need to reflect staff diversity and wishes.</p>	<p>7.6 Need to look at total compensation - not benefits.  7.7 "Cafeteria plan for employees" Size important! Choice where they spend their benefit dollar.  7.8 Our employees usually vote to prioritize which benefits to [up arrow] when we have resources to [up arrow]</p>
<p>Nonprofit vendors and/or County could join together and gain purchasing power and flexibility.</p>	<p>4.1 Pooling opportunities among and between non-profits and/or County, I.e. insurance, training, space, points for collaboration.  7.3 Group of 5 become a "block" for purchasing power.  7.4 Purchasing power and flexibility.  7.5 Get us size for us to offer cafeteria plan.  7.7 "Cafeteria plan for employees" Size important! Choice where they spend their benefit dollar.  7.8 Our employees usually vote to prioritize which benefits to [up arrow] when we have resources to [up arrow]</p>
<p>Other comments</p>	<p>3.1 County adopt policy of #3 appropriate review outputs to meet "living wage" goal in contracting. "Disconnect" vs. alignment. County pay "bonus" to NP #3 for every employee they hire from non-profit for recruiting and training.  3.5 Non-profits attract a certain type of employee - someone who doesn't want to work for the County.  4.5 Is there a way to invest money to enhance care and ??? people.  -Gainsharing  -benchmark progress on increasing living wages at vendors</p>

## BOGSTAD Deborah L

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**From:** WINTER Caleb P  
**Sent:** Thursday, April 12, 2001 3:46 PM  
**To:** LE Van T; TINKLE Kathy M; 'mimi@casgen.com'; 'ktoan@voaor.org'; 'steely@opeuseiu.org'; 'bmiller@tt-cmi.com'; 'keneke@aracnet.com'; 'raahahn@afscmecn75.com'; CRUZ Serena M  
**Cc:** SCHOLES Rhys R; CARROLL Mary P; LEE Beckie K; BOGSTAD Deborah L  
**Subject:** LWRB - April 17 Board Briefing

Hello LWRB,

Attached to this e-mail is the PowerPoint presentation to be given to the Board of County Commissioners (BCC) and the LWRB's 2001 report for brush-up.

For those of you that will attend the briefing, Mimi would like you to take a turn presenting. Her requests are as follows:

Slide #	LWRB presenter
1,2,3	Mimi
4,5,6	Van *view notes on slide 5
7,8	Robyn
9,10,11	Dave
12,13	Bruce
14,15,16,17	Mimi

Please review and practice your slides. I wrote notes below some slides. To view them, go to "View" and then "Notes page". We are aiming for a 15 minute presentation so the remaining 15 minutes can be used for question/answer time. If you would like to change your slide assignment, please call Mimi at [\(503\) 807-6428](tel:5038076428). If you would like more info on the presentation content or set-up, please call me.

Attending members should arrive no later than 11:15, Tuesday April 17, in Multnomah Building room 635. LWRB met in this room last year when Chair Stein visited. It has a more informal feel and you will literally sit at the table with BCC. The room has around 20 seats.

Thanks,  
Caleb



010417 BCC  
Briefing.ppt



LWRB2001Report.doc

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MULTNOMAH  
COUNTY

**LW  
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Living  
Wage  
Review  
Board

April 17, 2001

# 2001 Report to Board of County Commissioners

# Introducing LWRB Members

Serena Cruz	MultCo Commissioner, District 2
Van Le	Evaluator, MultCo Budget & Quality
Mimi Maduro	Workforce Development Director, Cascade General, Inc.
Bruce Miller	Regional Manager Northwest Operations, Tetra Tech/Construction Management and Inspection
Dave Raahahn	Counsel Representative, AFSCME Local 88
Ken Siedler	Former Janus/Harry's Mother employee
Robyn Steely	Political Director, Service Employees International Union (SEIU)
Kathy Tinkle	Deputy Director of Business Services, MultCo Dept of Community and Family Services
Kay Toran	President and CEO, Volunteers of America
Caleb Winter	Staff, MultCo Budget & Quality

# LWRB Mandate: Res. 00-140

**The purpose of the Living Wage Review Board is to,**  
Review proposed County contracts and annually recommend to the Chair and County Departments strategies for improving wages and benefits of employees of contractors;

**In a way that,**

Calls on the experience of County employees, County contractor management representatives, labor representatives, living wage advocates, and citizens;

**So that,**

The level of wages and benefits for employees of County contractors is raised, advancing the County's goal of reducing poverty.

# The County's First Four Steps

**What steps has the County taken to address living wage?**

# The County's First Four Steps

**Step 4 - 2000** Res. 00-140  
created the LWRB

**Step 3 - 2000** Res. 99-186 called  
for study of cost to raise human  
service workers to a living wage

**Step 2 - 1998** Res. 98-165 required  
\$9 total compensation for 3 services:  
Custodial, Security, & Food Service

**Step 1 - 1995** RFPs for  
Custodial Services encouraged  
living wage through scoring

# County's Living Wage Program

- Custodial, Security and Food Service RFP's scored on vendor's total compensation. Vendors are required to:
  - Pay up to \$9.58 total compensation (wage + benefits including medical, dental, and retirement)
  - Submit monthly certified payroll to County (enforcement)
  - Post contract changes, benefit package descriptions and Earned Income Tax Credit information for all employees
  - Notify and interview employees displaced by contract changes
  - Allow County access to vendor's work site and related records
  - Raise total compensation figure on each contract anniversary by the Consumer Price Index

Purchasing and Department contract managers oversee this program  
Approximately 300 County Contracted Employees are covered

# Other Input for LWRB, Part 1

## LWRB considered:

- City of Portland's Fair Wage and Benefit Program = \$9.50 total compensation for custodial, security, and parking attendant services
- NW Job Gap Study's Living Wage (all expenses + some savings) for Multnomah County which determined a single adult (with no children) should earn \$11.58 in 2001
- County's Central Procurement and Contracts input
- Executives' input from 5 of the County's mental health vendors
  - Unity, Morrison Center, Trillium, Mt Hood Mental Health, Network Behavioral
- County's 2001-2002 Budget Shortfall = 7% less means cutting service
- Contract Policy Team's recommendation for Partnerships with mental health providers

# Other Input for LWRB, Part 2

- LWRB considered Oregon State Legislative Actions:

- HB2744 - Prohibits local governments from setting minimum wage requirements. Non-County members of the LWRB wrote to oppose the measure.
- HJR 32 - Asks Department of Human Services to budget for living wage for all contractors by 2004. Non-County members of the LWRB will write to support the measure when it is scheduled for a hearing.

# LWRB 2000-2001 Work

- LWRB met bi-weekly for the past four months and concluded:
  - LWRB mandated to further living wage at Multnomah County
  - BCC requested LWRB prioritize mental health (Res.00-194)
  - Mental Health redesign underway
  - LWRB's analysis of 4 sample vendors showed increasing total compensation could cost less than 2% of total contract amounts with these vendors
  - LWRB concern about total compensation for all staff at vendors with Multnomah County contracts
  - The success of County's Living Wage Program using RFP scoring

# LWRB 2001 Recommendations

- One Budgetary Recommendation
  - Cover new procurements of mental health services with County's existing Living Wage Program
    - (to be discussed in a moment)

# LWRB 2001 Recommendations

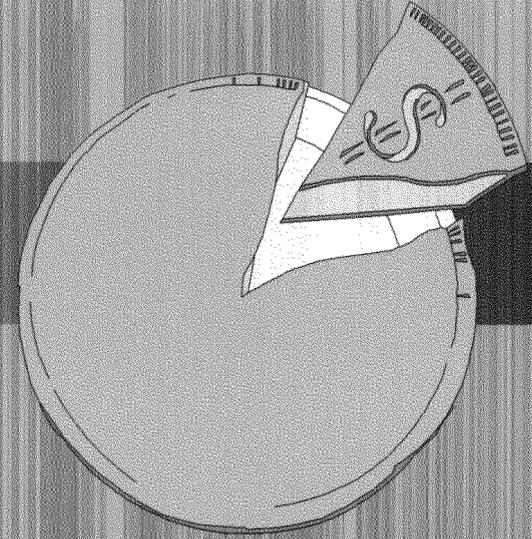
## ● Four Non-budgetary Recommendations

- 1 Modify the Living Wage Program to add a criterion related to the total compensation levels for all staff of the bidding vendor.
  - A Encourage vendors to pay all staff (including non-County funded employees) a living wage
  - B Accomplish by scoring contract bids for vendors paying up to \$11.58 total compensation (NW Job Gap Study's Living Wage)
- 2 Savings from mental health system redesign to be prioritized for employee compensation
- 3 Require all vendors to post Earned Income Credit information
- 4 Acceptance of occasional memoranda from LWRB in addition to annual report

# Budgetary Recommendation

- Cover all new procurements for mental health services with County's existing Living Wage Program.
  - Mental health contracts were chosen because they were made an LWRB priority in Resolution 00-194.
  - Mental health services include services to adults and children - most contracts are held by CFS Behavioral Health Division (further definition could come from Mental Health Coordinating Council).
  - DSS Purchasing advised LWRB make changes at the time of new procurements rather than risk interrupting services.
  - LWRB used the existing Living Wage Program figure of \$9.58 total compensation for this year. We will be discussing whether \$9.58 is the most appropriate total compensation.

# Budgetary Impact



- The possible budget impact could be small relative to the entire amount contracted for mental health services by the County.
  - A sample of 4 vendors shows that the cost could be less than 2% of total contract amount. At these 4 sample vendors, 44 (4% of agency total) employees contracted by Mult Co would benefit.
  - Costs may show up in contracting for CFS, DCJ, and Health. FY 2002/2003 budgets may reflect this, most likely from CFS' Behavioral Health Division.

# LWRB Next Steps, Part 1

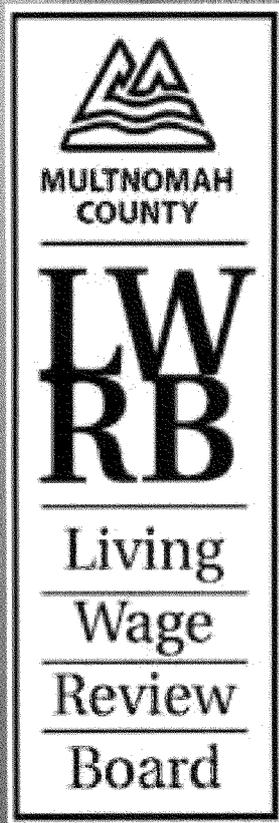
- LWRB needs BCC Agreement with our Recommendations.
  - If we have agreement today, we will draft amendments to:
    - Res. 98-165 & 00-140 for our budgetary recommendation to include mental health services for BCC formal approval
    - Res. 98-165 & 00-140 for our non-budgetary recommendations on RFP scoring all employees' total compensation and occasional memos to BCC for BCC formal approval
    - Res. 00-194 for our non-budgetary recommendation to prioritize savings on redesign for employee compensation for BCC formal approval
    - Administrative Rule changes to allow implementation of our recommendation for vendors to post Earned Income Credit.

# LWRB Next Steps, Part 2

- LWRB ongoing research and work
  - Create workplan based on:
    - Resolution 00-140
    - BCC agreement with our current recommendations
  - Explore issues such as:
    - Health benefits, whistleblower protections, market wages for commonly contracted positions, and others.
  - Launch Information Campaign to interest County Divisions in Living Wage Program. Expand to County contractors; encourage them to voluntarily adopt a Living Wage Program.
  - Monthly LWRB meeting begins again on April 30th

# LWRB asks BCC for Ideas and Reactions regarding

- Our recommendations
- Other Questions



End