

HB 2118 A STAFF MEASURE SUMMARY

Carrier: Rep. Smith Warner

House Committee On Revenue

Action Date: 03/07/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 6-0-1-0

Yeas: 6 - Hernandez, Marsh, Nathanson, Reschke, Smith G, Smith Warner

Exc: 1 - Findley

Fiscal: Fiscal impact issued

Revenue: Has minimal revenue impact

Prepared By: Kaitlyn Harger, Economist

Meeting Dates: 2/4, 3/7

WHAT THE MEASURE DOES:

Updates the index used to calculate inflation and cost of living adjustments throughout Oregon statute. Replaces the discontinued Portland-Salem CPI with the West Region CPI throughout statute. Effective January 1st, 2019.

ISSUES DISCUSSED:

- Statutes related to Tort Claims Act liability limits and appearing in SB 186

EFFECT OF AMENDMENT:

Removes other statutes affected by the CPI change from the bill due to emergency clause requirement (SB 186:ORS 30.271, 30.272, 30.273). Adds to statute a link to the West Region CPI for use by PERS when required to calculate cost of living adjustments to benefits payable.

BACKGROUND:

Previously, Oregon used the "Portland-Salem, OR-WA, Consumer Price Index (CPI) for all Urban Consumers for All Items" in cost of living adjustments. The CPI is a measure of inflation produced by the Bureau of Labor Statistics (BLS) on a monthly basis. In 2018, the BLS revised the geography for CPI estimates and discontinued the Portland-Salem CPI as part of that revision.