

HOUSE COMMITTEE ON ELECTION AND RULES

May 03, 2005 Hearing Room E

1:00 P.M. Tapes 50 – 51

Corrected 10/05/05

MEMBERS PRESENT: **Rep. Derrick Kitts, Chair**

Rep. Paul Holvey, Vice-Chair

Rep. Kim Thatcher, Vice-Chair

Rep. Billy Dalto

Rep. Debi Farr

Rep. Mitch Greenlick

Rep. Steve March

STAFF PRESENT: **Cletus Moore, Committee Administrator**

Annetta Mullins, Committee Assistant

MEASURES/ISSUES HEARD:

HB 3458 – Public Hearing and Work Session

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
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TAPE 50, A		
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003 Chair Kitts Calls the meeting to order at 1:06 p.m. and opens a public hearing on HB 3458.

HB 3458 – PUBLIC HEARING

023 Cletus Moore Committee Administrator. Reads summary of HB 3458 as amended by the Subcommittee on Campaign Finance Reform (**EXHIBIT A**).

040 Brian Grisham Salem resident and former candidate for State Representative in HD 19. Submits and reads a prepared statement (**EXHIBIT B**) in support of campaign finance reform (**EXHIBIT B**).

083 Rep. Dalto Objects to the testimony being presented by Grisham.

Chair Kitts Instructs Grisham not to address former Rep. Doyle by name in his testimony.

Grisham Continues reading his prepared statement (**EXHIBIT B**).

148 Andi Miller Executive Director, Common Cause Oregon. States they are pleased to see the result of the hard work by the Subcommittee on Campaign Finance Reform. It is a good bill and should pass.

167 Norman Turrill League of Women Voters of Oregon. Comments on being impressed by the work of the Subcommittee on Campaign Finance Reform. Reps. G. Smith, Thatcher, Holvey and Hunt did a fine job in difficult circumstances and did fine negotiations. Asks that the committee pass the bill.

Sarah Wetherson Money in Politics Research Action Project. States she joins Miller and Turrill in saying this is a good bill and should pass, and commends the subcommittee on its fine work.

179 Chair Kitts Comments that the subcommittee did an immense amount of work. The committee has before them the HB 3458-12 amendments (**EXHIBIT C**) (a combination of the -2, -3 and -11 adopted by the subcommittee). States the bill will be amended on the Senate side with regard to electronic filing in SB 822. This bill includes all the topics mentioned by Speaker Minnis and Democratic Leader Merkley in the press conference. States he is proud that the bill as amended came out of the subcommittee with a vote of 4-0. Closes the public hearing on HB 3458.

Chair Kitts Asks the committee to stand at ease momentarily.

Chair Kitts Reconvenes the meeting and opens a work session on HB 3458.

HB 3458 – WORK SESSION

203 Cletus Moore Committee Administrator. Again reads summary of HB 3458 as amended with the -2, -3 and -11 amendments by the Subcommittee on Campaign Finance Reform.

231 Chair Kitts Commends the office of the Secretary of State in assisting in the development of HB 3458 as it has been amended.

Rep. March Asks if there is anything in the new policy that will not be easy for SOS to carry out.

John Lindback Director of Elections, Office of Secretary of State. States that the provisions of the bill relating to spot checks, etc. are doable and would not impose a serious impact on the division. Continuous fling is a major undertaking and is under discussion in the Senate as well. Their office has determined there is a source of funds for help with that. The General Funds required for this project could at the same time serve as a match for federal funds under the Help America Vote Act (HAVA).

276 Rep. March Comments that the -3 amendments adopted by the subcommittee dealt with mileage expense for commuting, etc. Asks if car leases are covered in this for the governor or legislators.

Fred Neal Campaign Finance Manger, Elections Division, Office of Secretary of State. States that the new Section 17 in the -12 amendments **(EXHIBIT C)**, which include the -2, -3, and -11 adopted by the subcommittee, applies only to member s of the Legislative Assembly. Section 17a, which amends ORS 260.407 and deals with prohibited personal use of surplus campaign funds for candidate committees only, has a limitation on page 5, lines 16-19. It primarily deals with candidate campaigns but also applies to public office holders. If the State Treasurer or Secretary of State had an office in their home, they could not use campaign funds to underwrite their personal residence or utility payments. Section 17a applies to all candidate committees and Section 17 applies only to members of the Legislative Assembly.

Chair Kitts

Asks if it is correct that the spot checks apply to all candidates for state offices.

Neal Responds affirmatively.

316 Rep. March States that the mileage expenses under Section 17 only apply to legislative members and asks if he could lease a car with his campaign funds and be reimbursed for the mileage.

Chair Kitts Responds that by IRS laws, he does not believe a member can do that.

329 Rep. Dalto Ask if he can receive reimbursement for mileage to a meeting outside the building when he conducts legislative business in different cities along the way.

Neal Responds that he is not sure they can answer the question generically. His understanding in reading ORS 171.072 which says "... and rules adopted by the Legislative Administration Committee..." that members get reimbursed for the number of miles between the member's residence and the city and meeting place and to return. If a member were to do additional travel, he would assume that could be reimbursed by campaign funds. States he would defer to Legislative Counsel, the Legislative Administration Committee and its administrator to interpret how that works during the session. States if SOS were to receive a complaint, they would have to look at the facts and the alleged violations.

375 Rep. Dalto Clarifies that he was speaking of what is apart from what the Assembly provides for. Members can access vehicles from the motor pool or the committee provides transportation. States he is speaking of the scenario apart from the official legislative event for which an accommodation is already being made.

Neal Responds that Section 17 (2) is bifurcated between the per diem members get during session and other times when members get specific mileage. During session the prohibition is on using campaign funds for mileage expenses commuting between home and the Capitol. It does not address other mileage.

398 Chair Kitts Gives example of a committee meeting in Pendleton. Members did not get mileage if they chose to take their own car. States he understands if a member went from here to Pendleton and from Pendleton to Baker City, the mileage from Pendleton to Baker City would be not reimbursable. Any subsequent business outside the

official business that the member is conducting and receiving a per diem for, would not be reimbursed.

414 Neal States he is assuming (and they are not the Legislative Administration Committee reviewing mileage reimbursement requests during the interim) one could pay extra mileage from campaign funds especially if it were for a campaign.

422 Rep. Dalto Gives example of a Transportation Committee meeting in Boardman during the interim. States he later met with some people who had testified about issues he was not familiar. They went to Hermiston, North Powder and other places to learn more about the issues.

TAPE 51, A

002 Rep. Greenlick Asks if the ability for a candidate to be his own treasurer was eliminated by the amendments.

Neal Responds there is no prohibition. If a candidate spends or raises more than \$300 a year, the candidate is required to file a statement of organization and establish a dedicated bank account.

Greenlick Ask if a principle petitioner on a statewide initiative can act as the treasurer of that committee.

Neal Responds affirmatively.

013 Rep. Thatcher MOTION: Moves HB 3458 to the floor with a DO PASS AS AMENDED recommendation.

019 Rep. Holvey Comments that the Subcommittee on Campaign Finance Reform adopted the -2, -3 and -11 amendments and asks if the committee is going to adopt the -12 amendments.

Chair Kitts Responds that the -12 amendments (**EXHIBIT C**) are the -2, -3 and -11 amendments adopted by the subcommittee.

027 Rep. Dalto Expresses concerns of not having a thorough review of the bill.

Chair Kitts Comments that opponents and proponents of the bill were invited to provide testimony during the subcommittee meetings and today.

- States that the members received copies of the hand engrossed bill on April 29.
- 067 Rep. Dalto Comments he did not receive the hand-engrossed version of the bill. States he did not hear a thorough discussion of the issues by those who testified today.
- 093 Reutlinger Advises the committee needs to adopt the HB 3458-12 amendments.
- Rep. Thatcher** **By implied consent, withdraws her motion to send HB 3458 to the floor with a DO PASS AS AMENDED recommendation.**
- 085 **Rep. Thatcher** **MOTION: Moves to ADOPT HB 3458-12 amendments dated 4/29/05.**
- Rep. Greenlick Questions the need to adopt the HB 3458-12 amendments.
- Chair Kitts Explains that the -12 amendments supersede the -2, -3 and -11 amendments; the -12 amendments are the same language adopted by the subcommittee.
- 101 Ted Reutlinger Legislative Counsel. Explains that because the subcommittee adopted the -2, -3 and -11 amendments, Legislative Counsel consolidated those into the -12 amendments. States that he is under the impression for the bill to move out of this committee, the full committee needs to adopt the -12 amendments, which is simply the -2, -3 and -11 combined together. There is no substantive difference whatsoever. It seems to him the subcommittee does not have the power over the full committee to amend the bill and then send it to the floor. It seems the full committee needs to adopt the -12 amendments in order to formally amend the bill so it can be printed A-engrossed and sent to the floor.
- 113 Rep. March Comments that adoption of the -12 amendments ratifies the action of the subcommittee.
- 116 Rep. Greenlick Asks if a bill amended by the subcommittee and sent to the full committee is still the original bill.
- 117 Reutlinger Responds he believes what is before the full committee is the original bill and the amendments recommended by the subcommittee. The full committee still needs to adopt the amendments to send the bill to the floor.

113 Rep. Dalto Comments this is why he does not feel comfortable about accepting a bill immediately from the subcommittee and sending it directly out without some time for the committee to absorb and discuss and deliberate on the bill.

Chair Kitts Asks the clerk to call the roll on adoption of the -12 amendments.

129 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Kitts The motion CARRIES.

135 Rep. Thatcher **MOTION: Moves HB 3458 to the floor with a DO PASS AS AMENDED recommendation.**

140 **VOTE: 7-0-0**

AYE: In a roll call vote, all members present vote Aye.

Chair Kitts The motion CARRIES.

REP. KITTS will lead discussion on the floor.

134 Chair Kitts Adjourns meeting at 1:46 p.m.

EXHIBIT SUMMARY

- A. HB 3458, hand-engrossed HB 3458, staff, 35 pp
- B. HB 3458, prepared statement, Brian Grisham, 1 p
- C. HB 3458, -12 amendments, staff, 9 pp