

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

March 20, 2003 Hearing Room E
1:00 PM Tapes 27 - 28

MEMBERS PRESENT: Rep. Dan Doyle, Chair
Rep. Linda Flores, Vice-Chair
Rep. Vic Backlund
Rep. Phil Barnhart
Rep. Betsy L. Close
Rep. Joanne Verger

MEMBER EXCUSED: Rep. Laurie Monnes Anderson, Vice-Chair

STAFF PRESENT: Cara Filsinger, Administrator
Annetta Mullins, Committee Assistant

MEASURE/ISSUES HEARD: HB 2547 – Work Session
HB 2141 – Public Hearing
HB 2763 – Public Hearing

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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
Tape 27, A 004	Chair Doyle	Calls meeting to order at 1:09 p.m. and opens a public hearing on HB 2763.
<u>HB 2763 – PUBLIC HEARING</u>		
	Hasina Squires	Special Districts Association and representing the Oregon Fire District Directors Association. Submits prepared statements for Special District Association (EXHIBIT A), and Clackamas Community Commissioner Larry Sowa (EXHIBIT B) in support of HB 2763. Testifies in support of HB 2763.
090	Rem Nims	Community College Association (CCC). Testifies in support of HB 2763 (EXHIBIT C).
108	John Marshall	Oregon School Boards Association (OSBA). Testifies in support of HB 2763. Comments on involvement in process and support when counties were authorized to issue county-wide voters' pamphlets, and usefulness of pamphlet to voters. Discusses allocation of costs for the pamphlet. States that they recognize they are subsidizing the cost of the voters' pamphlet and are willing to do that, but they believe the increased fees, from \$25 to \$300, by administrative rule are excessive.
145	Chair Doyle	Comments that he is assuming the fees are to help cover the cost of the voters' pamphlets. Asks that the witnesses respond to his assumption.
	Marshall	Responds that he is not sure the \$300 would totally cover the costs, particularly where a large number of pamphlets must be printed and mailed. They believe there is still some level of subsidy that the jurisdictions that have measures or candidates on the ballot provide.
	Chair Doyle	Asks what an alternative would be.

130	Squires	States they would like to see whether the counties are recovering the costs and what mechanism they would need to recover the cost. States that cities do not pay for the cost of their elections in May and November. States they are amenable to looking at the costs that go into the production of the county voters' pamphlets and what level of fees for the jurisdiction or which candidate would be acceptable.
	Marshall	Responds that he does not believe there is a county subsidy for the cost of the voters pamphlets; the pamphlets are totally funded by the jurisdictions that have measures on the ballot. States there is no cost to the counties other than the cost of the city elections; jurisdictions or candidates on the ballot pay the cost of those elections.
	Chair Doyle	Asks if the fees go back to the group to help pay the costs.
	Marshall	Responds affirmatively. Explains the process.
211	Rep. Verger	Comments that Coos County does not have a voter's pamphlet and explains how candidates run their pictures and statements in the newspaper.
238	Rep. Barnhart	Comments that the ability to raise money for school board positions is dependent on the communities. Asks why the districts are willing to subsidize the voters' pamphlets.
	Marshall	Explains they are willing to support the pamphlet, but are not willing to subsidize the cost at 1,200 percent. It is a policy question.
285	Rep. Barnhart	Asks if the districts get billed for the cost of their candidates in an election.
	Marshall	Explains how the billing is based on the number of jurisdictions and candidates.
	Rep. Barnhart	Ask if they are willing to change the formula so the counties are fully reimbursed.
	Marshall	Responds they are willing to provide some level of subsidy to have an opportunity to share directly with the electorate what they believe and who they are.
410	Squires	Comments they want this placed in statute because the administrative rule process apparently is not working.
	Carol Gearin	Member of the Board of Directors of Tualatin Valley Fire & Rescue. Presents prepared statement in support of HB 2763 (EXHIBIT D) .
406	Chuck Clemens	Board Member, Clackamas Community College. Testifies in support of HB 2763. Comments that the fee probably would not prevent him from running, but is concerned about filling unpaid positions.
TAPE 28, A		
035	Rep. Close	Thanks Gearin for her suggestion.
040	Al Davidson	Marion County Clerk, representing Oregon Association of County Clerks. Testifies in opposition to HB 2763. Comments that he created the first voters' pamphlet in 1988 and set the fee schedule of \$100 for a paid office and \$25 for unpaid offices. Comments on costs of the 2001 voters' pamphlet and costs under the new fee schedule for the 2003 election. Explains which costs the county may not recover.
090	Davidson	Comments on benefits to the county residents. States that only 15 counties produce voter's pamphlets for the primary and

		general elections and only nine counties produce voters' pamphlets for special district elections. States that they recover as much of the costs as they are allowed by law to do. Thinks the candidate fee for the voters' pamphlet is a good value and is of value to the voters.
	Fred Neal	Campaign Finance Manager, Elections Division, Secretary of State's office (SOS) and supervisor of the State Voters' Pamphlet. Testifies in opposition to HB 2763. States he is currently responsible for trying to set a reasonable fee, as directed by the legislature, for county voter pamphlet arguments and candidate statements on a uniform statewide level. States he is here to give a result of his survey and his understanding of the process they have taken to adjust the rule that was adopted a year ago and the pending amendments for rule adoption scheduled for public hearing in May. Comments that county voter pamphlets are optional and candidates do not have to file statements or pay any fee nor avail themselves of the voter pamphlet at the state or county level.
151	Neal	Explains that the fees were originally minimal charges, regardless of the size of the district and county.
	Neal	States they did not have complaints from cities or counties. Explains how fees were set and when the fees apply.
235	Neal	Suggest alternative of allowing counties to set their own fees.
250	Rep. Verger	Asks who the SOS is required to notify of rule adoptions or changes. Comments on his experience of tracking rules for an organization.
	Neal	Explains how notice is given for rule adoption.
	Chair Doyle	Asks if there were as many rule adoptions 20 years ago.
	Neal	States there were many. Adds that the subject rule was reviewed by Legislative Counsel a year ago and SOS was not notified that the adoption was not in compliance with the legislative directive and authority.
293	Rep. Barnhart	Asks why a review has come up.
	Neal	Responds there was a request by the Association of County Clerks, and a minority of the counties who have voter pamphlets.
310	Davidson	Explains the position of the county clerks. Explains that the counties are not allowed to charge any of the costs back to the cities; it is a county subsidy of the candidates. The amount the county receives back is so minimal it doesn't touch the costs.
	Rep. Barnhart	Asks why special districts and school districts pay their costs for the voters' pamphlet and the cities don't.
	Davidson	Explains history of the law.
348	Rep. Backlund	Asks if there are commonly complaints that people do not know rule changes are pending.
	Neal	Responds it is not normally the case with their office. States he believes the special districts were not aware of the rule change because they did not read the Oregon Administrative Rules bulletin and did not signed up as interested parties to be notified individually of it.
370	Chair Doyle	Asks if it correct that special districts and candidates are required to pay the fees, but the cities are not.
	Davidson	Responds affirmatively. States that perhaps they were not sensitive to the cost to the candidates because they assumed the

		districts themselves would be supportive because it reduced their tax subsidy and put the burden on the candidates; it is possible they misread that.
	Neal	Comments that some counties have discontinued doing voters' pamphlet. Explains why some counties have discontinued doing voter pamphlets.
TAPE 27, B		
001	Jason Williams	Executive Director, Taxpayer Association of Oregon. Testifies in support of HB 2763. Comments on costs of a campaign. Believes that putting this in the statute would alleviate the concerns.
	Chair Doyle	Asks if it is more appropriate to have more local decisions on issues as opposed to having them made at the state level.
	Williams	Responds that having the counties set their own costs is one idea. This bill forces everyone to talk because the public hearings are open and easy to track.
057	Chair Doyle	Closes the public hearing on HB 2763 and advises members to expect the bill to be on the agenda for a work session next Tuesday.
	Chair Doyle	Opens a work session on HB 2547.
	<u>HB 2547 – WORK SESSION</u>	
	Chair Doyle	Advises members that a new Legislative Fiscal Statement has been received (EXHIBIT E). Reviews costs shown in the statement and states that the issues related to the Board of Nursing and Judicial Department have been resolved through the HB 2547-7 amendments that were adopted by the committee (SEE EXHIBIT A OF COMMITTEE MINUTES DATED MARCH 18, 2003).
090	Ken Rocco	Legislative Fiscal Officer. Explains the process of obtaining information for fiscal statements.
100	Rocco	Explains they have worked with the Department of Human Services staff, and reviews revised statement (EXHIBIT E).
135	Chair Doyle	Comments on the difference in the previous statement (SEE EXHIBIT C OF COMMITTEE MINUTES DATED MARCH 18, 2003) and revised costs for the computer system.
165	Rep. Verger	Asks if the Department of Human Services (DHS) said how much they would spend on a computer system.
	Chair Doyle	Responds the system would not be for all of DHS. There are a lot of antiquated systems in the department. They were looking to move the reporting process to a web-based interactive system. There is a potential for a savings of FTE to do the data entry because they will be moving the data entry work to the clinic level.
185	Rep. Barnhart	Asks which fee would be increased.
	Rocco	Responds it is a fee charged on health care providers. It is part of DHS's budget presentation for an increase in the fees.
	Rep. Barnhart	Comments he is assuming this is a substantial amount of money from fees.
	Rocco	Responds that he believes DHS is estimating the new system at about \$170,000.
256	Rep. Flores	MOTION: Moves HB 2547 to the floor with a DO PASS AS AMENDED recommendation.
	Rep. Barnhart	Speaks in opposition to HB 2547.

334	Rep. Verger	Speaks in opposition to HB 2547.
	Rep. Close	Speaks in support of HB 2547.
438		VOTE: 4-2-1
		AYE: 4 - Backlund, Close, Flores, Doyle
		NAY: 2 - Barnhart, Verger
		EXCUSED: 1 - Monnes Anderson
446	Chair Doyle	The motion CARRIES.
		REP. CLOSE will lead discussion on the floor.
	Chair Doyle	Thanks opponents and proponents for their professional demeanor during the work on this bill and closes the work session on HB 2547.
TAPE 28, B		
017	Chair Doyle	Opens a public hearing on HB 2141
<u>HB 2141 – PUBLIC HEARING</u>		
022	Fred Neal	Campaign Finance Manager, Elections Division, Secretary of State’s office. Testifies in support of HB 2141 (EXHIBIT F) and proposes amendments (EXHIBIT G).
084	Neal	Continues review of provisions in HB 2141 (EXHIBIT F).
120	Neal	Continues presentation.
183	Neal	Continues presentation on Section 18 (EXHIBIT F, page 4).
	Chair Doyle	Asks what activity Section 20 applies to.
	Neal	Explains that Section 20 is a little used statute usually for for-profit agencies when it endorses or opposes three or more candidates or measures.
228	Chair Doyle	Comments that he sees nothing in Section 10 or 11 that would have the legislative contributions when legislative sessions begin as opposed to the January 1 date. Ask what Neal thinks about moving the date to the day before session starts.
	Neal	Comments on history of the date. States that the prohibition no longer exists and there is the two-business day reporting, the date can be changed or the supplement to the post reporting period up to the Sunday before session begins could be extended.
264	Rep. Verger	Asks if there is civil penalty in the bill for someone filing for a candidate makes an honest mistake.
	Neal	States there is nothing in the bill to alleviate penalties based on honest errors. States their belief is that failures to file timely or accurately in Oregon are all honest mistakes.
	Rep. Verger	Comments on someone filing reports for the candidate. Asks if they plan on increasing the punishment for the honest mistakes.
	Neal	States absolutely not. Comments that it is not their desire to impose penalties. Comments on training.
314	Rep. Backlund	Comments that a treasurer pointed out an error to the SOS and was fined. Asks if that is typical.
	Neal	Responds it is common that perhaps the treasurer has taken another look at the books and the reports they filed. States their office is not so proactive or intrusive as to require that the candidates file their bank statements, as other states do.
		Comments on process for filing amendments to the reports.
	Rep. Backlund	Asks if the proposed changes are candidate friendly.
	Neal	Responds affirmatively. Comments on additional requirements for chief petitioner committee reports and attestation to the truthfulness of the report. There is a criminal penalty that goes to

		knowingly falsely reporting something that the person has sworn to the truthfulness of.
	Chair Doyle	Announces that his intention is to include these issue in the task force that is already working on the contribution and expenditure reform.
402	Chair Doyle	Closes the public hearing on HB 2141 and adjourns meeting at 3:00 p.m.

EXHIBIT SUMMARY

A – HB 2763 – prepared statement, Hasina Squires, 2 pp

B – HB 2763, prepared statement, Hasina Squires, 3 pp

C – HB 2763, prepared statement, Rem Nims, 1 p

D – HB 2763, prepared statement, Carol Gearin, 3 pp

E – HB 2547, Legislative Fiscal Statement, staff, 2 pp

G – HB 2141, prepared statement, Fred Neal, 4 pp

H – HB 2141, conceptual amendments, Fred Neal, 1 -