

HOUSE COMMITTEE ON RULES AND PUBLIC AFFAIRS

March 25, 2003 Hearing Room E
1:00 PM Tapes 29 – 30

MEMBERS PRESENT: **Rep. Dan Doyle, Chair**
 Rep. Linda Flores, Vice-Chair
 Rep. Laurie Monnes Anderson, Vice Chair
 Rep. Vic Backlund
 Rep. Betsy L. Close
 Rep. Joanne Verger

MEMBER EXCUSED: **Rep. Phil Barnhart**

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

MEASURE/ISSUES HEARD: HB 3327 – Public Hearing
 HB 2763 – Work Session
 HB 2874 – Public Hearing
 HB 2958 – Public Hearing
 HB 3327 – Public Hearing
 Measure Drafting Requests – 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.

<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
Tape 29, A		
004	Chair Doyle	Calls meeting to order at 1:01 p.m. and opens a public hearing on HB 3327.
<u>HB 3327 - PUBLIC HEARING</u>		
014	Bill Bradbury	Secretary of State. Comments on HB 3327, expressing concerns about funding to provide the additional duties in the office of the Secretary of State. States that adding these additional duties without the funding or employees would result in statutory requirements not being met. States that they will return during work session with a fiscal impact. Asks committee to consider resource limitations.
046	Rep. Close	Comments that the bill has a subsequent referral to Ways and Means.
	Bradbury	Responds their concern is the fiscal impact; they do not oppose the transfer of duties.
054	Chair Doyle	Recesses public hearing on HB 3327 and opens a work session on HB 2763.
<u>HB 2763 – WORK SESSION</u>		
065	Chair Doyle	Notes that HB 2763 does have a minimal fiscal impact.
070	Rep. Flores	MOTION: Moves HB 2763 to the floor with a DO PASS recommendation.
	Rep. Monnes Anderson	Explains that she will be voting no. Comments of cost of running a campaign and benefits of the voters' pamphlet.
		Comments on budget crisis and costs of the voters' pamphlets.
107	Rep. Backlund	Comments that one can look at the bill from the perspective of

the government costs and the perspective of democracy and candidates that do not pay anything. States that he chooses to view this from the perspective of the candidate. Comments on testimony by Al Davidson, Marion County Clerk. Believes it is important that we encourage people to run for office.

129 Rep. Verger Comments on the focus not being on the people who are affected. Asks what is being subsidized. Agrees that \$25 is too little. Would like to see this changed upward of \$25 and change the process. Will support the bill to keep it moving. Hopes that recommendations will be adhered to. Does not believe the process has been satisfactory.

187
VOTE: 5-1-1
AYE: 5 - Backlund, Close, Flores, Verger, Doyle
NAY: 1 - Monnes Anderson
EXCUSED: 1 - Barnhart
 Chair Doyle **The motion CARRIES.**
REP. DOYLE will lead discussion on the floor.

Chair Doyle Comments that, in response to Rep. Verger, we will be seeing more work on this bill on the Senate side and will be able to come back and address those issues.

187 Chair Doyle Closes the work session on HB 2763 and opens a work session for consideration of committee drafting requests.

CONSIDERATION OF SPEAKER-APPROVED MEASURE DRAFTING REQUESTS

204 Rep. Flores **MOTION: Moves that the committee approve two drafting requests (EXHIBIT A) and (EXHIBIT B).**

Chair Doyle Explains the reasons for the requests.

234
VOTE: 6-0-1
EXCUSED: 1 - Rep. Barnhart
 Chair Doyle **Hearing no objection, declares the motion CARRIED.**

221 Chair Doyle Closes the work session on consideration of drafting requests and opens simultaneous public hearings on HB 2874, HB 2958 and HB 3328.

HB 2874, HB 2958 AND HB 3328 – PUBLIC HEARINGS

Chair Doyle Advises witnesses that he is looking for the big picture on options relating to ethic laws that are currently in effect and what can be done to correct them, and the process including the work of the current commission and director to see if that needs to be addressed.

232 John DiLorenzo Attorney, representing himself. States he is not testifying in favor or in opposition to any of the three bills. Believes there should, in the end, be one bill that addresses the multiplicity of issues that are going to be presented.

280 DiLorenzo Comments on representing government officials and his history of testifying on the related statutes. States that the structure has cost the state and local governments tremendously and has caused a drain when pursuing bad cases and caused undue costs on the staff. The problems are a matter of structure more than anything else. Does not believe the problems he will outline are included in the system structure. Comments on accounting costs to local governments, citing cell phone usage. Complaint is on the method used by the commission.

365	DiLorenzo	States that the agency has never adopted administrative rules because the citizens and government can participate in the process.
436	DiLorenzo	Explains that the commission can issue an advisory opinion at the request of a public official. Believes the commission has taken a step further by issuing general advisory opinions proclaiming what the law is as opposed to creating safe harbors. Comments on Bunn case.
TAPE 30, A		
031	DiLorenzo	Lists recommendations and suggests that local governments adopt rules that apply to their situations. Thinks most cases before the commission are not intentional violations. Comments on volunteers and compliance with the law. There should be two tracks for the commission to file complaints. One should be a jeopardy track, and one should be a non-jeopardy track. After reviewing a complaint, the commission should then make an immediate determination as to whether it feels there was an intentional violation. If the commission felt there was not intentional violation, there could be education to assist the local government persons to better understand the law. Jeopardy tracks could give rise to the full-blown process. Suggests that the attorney fee provisions in the law be retained. Without the fee provision, the public official must either acquiescence or face financial ruin. Would be worthwhile to have a work group to assist the committee in working through the issues and have an ominous bill.
123	Rep. Jeff Kropf	District 17. Testifies in support of HB 2874. Comments on volunteer fire fighters banquet and the prohibition of the district paying for the spouses' dinners while allowing the district to pay for the girlfriends' dinners.
144	Dave Lapof	President, Oregon Volunteer Firefighters Association. Testifies in support of HB 2958 and HB 2874. Comments that the task force for studying recruitment and retention of volunteer firefighters also addressed the \$35 meal allowance and HB 2874. They found the \$35 for dinner for a spouse is reasonable. Suggest that members of the community should be able to donate items to the volunteer firefighters.
183	Christy Monson	League of Oregon Cities. Submits statement and pamphlet "A Guide for Public Officials" compiled by the Oregon Government Standards and Practices Commission (EXHIBIT C). Testifies in support of HB 2874.
262	Candace Haines	City Attorney for City of McMinnville. Comments on ambiguities in the law and gives examples.
353	Haines	Suggests a bright line to give a cutoff of what is acceptable.
394	Christy Monson	Comments they are looking for clarity and look forward to working on a work group.
413	Genoa Ingram	Oregon Fire District Directors Association. Presents prepared statement in support of HB 2874 (EXHIBIT D).
Tape 29, B		
020	Ingram	Continues presentation (EXHIBIT D).
038	Ingram	Comments on task force report attached to testimony (EXHIBIT D).
078	Chair Doyle	Asks why the provision should be passed for the fire fighters and not for everyone else who falls under the same statute.

	Ingram	Responds they are not asking that any of the issues be delayed. States they also represent the Special Districts Association. There are other issues that affect local officials. Comments on HB 3352 and officials' ability to submit a budget that includes their own salaries, and related opinions by the Government Standards and Practices Commission.
117	Rep. Monnes Anderson Ingram	Asks where the money comes from for the volunteer firefighters banquets. Explains sources of funding for the fire fighters.
120	Ingram	Comments on civil penalties and the difficulty of finding people to run for office when people find out they have to pay a penalty if they make an error. Suggests there be other disciplinary actions.
158	Ingram	States that the firefighters want the committee to know that this is not a witch hunt and that the problem is not the agency staff; they believe the laws need clarification.
170	Chair Doyle Ingram	Asks if complaints have been filed against their members. States no complaints have been filed over the banquets. Comments on fines that were assessed because of an executive session meeting.
197	Randy Tucker	1,000 Friends of Oregon. Testifies in support of HB 2874 and HB 2958 (EXHIBIT E). Asks that 1,000 Friends be given the opportunity to raise the issues in the proper forum.
253	Rep. Verger Tucker	Comments on Tucker's testimony about relatives being involved. Asks if the conflict is based on pecuniary interest—that is, if the person does not benefit financially by the individual, it does not matter. Responds their concern is with the integrity of the decision and the public's perception of the integrity of decision making—quasi-judicial systems where there is an expectation of impartiality. Even if there is no pecuniary interest at stake, it is important that the integrity of the decisions be above reproach...
295	Rep. Verger Tucker Rep. Verger Tucker	Comments she does not believe it is in the law. Responds that it is not in the law and that is why they are bringing this bill. Comments that she believes that even if there is a pecuniary interest, the person could still vote. Believes that once they declare the conflict of interest, they have the right to vote under the present law. Responds that is the concern they have and notes cases stated in his testimony.
349	Chair	Recesses hearings on HB 2874, HB 2958 and HB 3328 and announces that Greg Chaimov, Legislative Counsel, would like to make a statement on clarification of the reason for one of the drafting requested approved by the committee. _

CONSIDERATION OF SPEAKER-APPROVED MEASURE DRAFTING REQUESTS

350	Greg Chaimov	Legislative Counsel. Explains the reason for the drafting request, (EXHIBIT A) contrary to comments by Chair Doyle.
	Chair Doyle	Reopens public hearings on HB 2874, HB 2958 and HB 3328.

TAPE 30, B

HB 2874, HB 2958 AND HB 3328 – PUBLIC HEARINGS

009	Sandy Flicker	Oregon Rural Electric Cooperative Association. Submits letter sent to Rep. Jenson (EXHIBIT F). Requests to work with the
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032	Chuck Bennett	work group to find a solution for the co-op. Capitol Club. Comments on his experiences with the ethics laws since 1973. States that this is dealing with the exceptions and that the broad numbers of people tend not to have any dealings with the commission. States they are concerned about the language on pages 11 and 12 of HB 3328 on reporting requirements of lobbying expenses over \$50 and deleting the indexing amount for inflation. States that if the amount is set at \$50 without the indexing, they can foresee that within 10 years they will be reporting everyone's cup of coffee. Asks that it be removed from the bill. If work group is appointed, asks that he or another member of the Capitol Club be included.
048	Chair Doyle	Advises that members and the executive director of the commission are in the room.
084	Dave Moss	Chair, Oregon Government Standards and Practices Commission. Introduces himself and Patrick Hearn, Director.
090	Rep. Verger	Asks what their reactions are to the jeopardy/no jeopardy suggestion.
	Moss	Responds he has not discussed any comments or ideas with the commission and cannot provide the commission's viewpoint. Comments on his service and states they take an oath to uphold the statutes. States that until they look at the penalty they cannot determine if there was intent. A double track would require legislation. Thinks many of the commissioners would be glad to have something like that. States that the code of ethics of the State of Oregon is in statute and the commission is enforcing that statute, and he finds it hard to believe that the code of ethics is preventing people from providing public service. Adds that the commission will look at anything because this is not a well written law.
	Rep. Verger	States that it is good to hear the reinforcement that the law is complicated and thanks Mr. Moss for his testimony.
	Moss	Comments on testimony that there is a need for education, and advises that the commission sends their director on the road more than once a week throughout the biennium to make presentations.
140	Moss Chair Doyle	Submits statistics on cases filed and dismissed (EXHIBIT G). Announces the appointment of a work group: Rep. Flores, Chair, Christy Monson, Genoa Ingram, John DiLorenzo, and Dave Moss. Advises that Randy Tucker, Sandy Flicker and a representative from the Capitol Club should participate as needed to address their specific concerns.
178	Chair Doyle	Closes the public hearings HB 2874, HB 2958, and HB 3328 and reopens the public hearing on HB 3327.

HB 3327 – PUBLIC HEARING

199	Chuck Bennett	Capitol Club. Testifies in opposition to HB 3327. Asks that the ethics infrastructure not be under the jurisdiction of any elected public official. The Capitol Club is not unhappy with the current relationship.
217	Chair Doyle	Closes the public hearing on HB 3327 and adjourns meeting at 2:40 p.m.

EXHIBIT SUMMARY

- A – Drafting request, drafting request, staff 2 pp**
- B – Drafting request, drafting request, staff, 7 pp**
- C – HB 2874, prepared statement, Christy Monson, 35 pp**
- D – HB 2874, prepared statement, Genoa Ingram, 31 pp**
- E – HB 2874 & HB 2958, prepared statement, Randy Tucker, 4 pp**
- F – HB 2874, HB 2958, HB 3328, letter to Rep. Jenson, Sandy Flicker, 3 pp**
- G – HB 2874, HB 2958, HB 3328, statistics, Dave Moss, 3 pp**