

## SENATE COMMITTEE ON RULES AND REDISTRICTING

January 18, 2001 Hearing Room C

3:00 P.M. Tape 5

**MEMBERS PRESENT:** Sen. Steve Harper, Chair  
Sen. Peter Courtney, Vice-Chair  
Sen. Lee Beyer  
Sen. Kate Brown  
Sen. Randy Miller  
Sen. John Minnis

**MEMBER EXCUSED:** Rep. Jason Atkinson

**STAFF PRESENT:** Craig Allen, Committee Administrator  
Annetta Mullins, Committee Assistant

**MEASURE/ISSUES HEARD:** Public Hearing and Work Session  
SB 185  
SB 215

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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.

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<u>TAPE/#</u>	<u>Speaker</u>	<u>Comments</u>
<b>TAPE 5, A</b>		
004	Chair Harper	Calls meeting to order at 3:03 p.m. and opens a public hearing on SB 185.
<b><u>SB 185 – PUBLIC HEARING</u></b>		
009	Paul Romain	Petroleum Marketers Association. Introduces Steve O'Toole. Explains that petroleum marketers who thought there was no assessment for the period of time from August 1, 1997 through October 4, 1997 were notified in December 2000 of assessments for that period of time, totaling about \$172,000 for the defunct Oil Heat Commission. States that John Lattimer notified them that the assessments were coming because the Audits Division was required to follow the law. The auditors have no position on the bill.
037	John Lattimer	Director, Audits Division, Secretary of State's Office (SOS). Introduces Sharon Walker, Deputy Director, and offers to answer questions. Explains that by statute, the Secretary of State (SOS) is given the responsibility of closing out agencies that are dissolved by the legislature.
053	Chair Harper	Notes that the SOS has collected some money and asks if the money will be refunded.
	Lattimer	Responds affirmatively.
062	Chair Harper	Closes the public hearing and opens a work session on SB 185.
<b>069</b>	<b>Sen. Courtney</b>	<b>MOTION: Moves SB 185 to the floor with a DO PASS recommendation.</b>
<b>074</b>		<b>VOTE: 6-0</b>

**EXCUSED: 1 - Sen. Atkinson**

**Chair Harper**

**Hearing no objection, declares the motion CARRIED.**

**SEN. COURTNEY will lead discussion on the floor.**

082 Chair Harper  
**SB 215 – PUBLIC HEARING**  
090 Chair Harper

Opens a public hearing on SB 215.

081 Lynn Rosik  
Rosik

Explains that the attempt is to amend the existing statute that was found unconstitutional by replacing "prohibited" with a report. Director, State Elections Division, Secretary of State's office. Introduces Fred Neal and Ted Reutlinger.

Explains the bill is to repeal the provisions of ORS 260.174 that the Attorney General has found to be unconstitutional and therefore not enforceable by the Elections Division. States that the intent of the bill is to make the reporting requirements for contributions during the session apply to exactly the same people who were previously subject to the ban, in the same manner and for the same period of time. It will apply not only to legislative officials, statewide officials, and the governor, but also candidates for those offices. Anyone who has an open principal campaign committee for any of those offices will have to report their contributions during any legislative session. The reports showing contributions will be filed in the SOS's office within two business days after a contribution is received. Adds that SOS clarifies that as "received by the candidate" or "the treasurer", or "someone on behalf of the candidate". If the contribution is not wanted, it must be returned to the giver within two business days; otherwise the report must be filed.

113 Rosik

States that the SOS is prepared, if this bill takes effect in the near future, to begin receiving the reports immediately. The reports will be scanned and put on the SOS website and will be available in paper form in the office.

112 Fred Neal

Campaign Finance Manager, Elections Division, Secretary of State's office. Clarifies that the aggregates for the report contributions would be calculated back to the last election for which a report was filed, or if the person was not on a ballot and did not file reports previously, the report would go back to the date the statement of organization of the candidate was filed to be on the ballot after the legislative session.

135 Neal

Explains how a member would report a sole \$40 contribution and repeated contributions from the same source.

140 Neal

Compliments Ted Reutlinger on his drafting of the bill and suggests that the amendments to Sections 6, 9, and 10 of the bill are not necessary.

158 Ted Reutlinger

Explains that the Elections Division is suggesting that Section 6 be removed from the bill because the statute requires they examine statements that are filed with their office. Sections 9 and 10 relate to issuance of certificates of nominations or elections if a person does not file statements for the primary and general elections. States that since the bill is written to say that

		any of the contribution statements filed during the session also must be reported on the normal full C&E statements, it is not necessary to add the reference to the special contribution sections to these three statutes. All the information will go into the SOS's office anyway. Does not believe there is a problem in deleting the three sections suggested by the Elections Division.
176	Sen. Brown	Asks why on page 3 the definition of legislative official was changed.
185	Reutlinger	<p>Responds that he made the change because he understood the direction was to apply this to members of the legislature, and statewide official candidates, and people who are raising money on their behalf.</p> <p>The reference to staff people was deleted because staff people are not in the system of who is filing C&amp;E statements. Also, it seemed if a staff person were receiving contributions on behalf of a member or statewide official or candidate, they would be covered under subsections 3 and 4 which say that a person who is affiliated with a legislative official and receives contributions has to file a statement.</p> <p>Explains that when the language referencing staff people is read in conjunction with Section 2 (260.044) about who has to file if they are collecting contributions, the bottom line is that if a staff person is collecting money on behalf of a member, it will get reported either by the member or by the person who collects the money because the statute says if a person is out soliciting money and it is not on behalf of anybody in particular, it is automatically a PAC and a statement of organization and report must be filed. If money is being collected on behalf of a specific member and the money is given to the member, the member is going to have to report it.</p>
214	Neal	Explains that the Elections Division concurs with Reutlinger because they also define "receipt" of a contribution as "in physical custody of" and "place into account controlled by a candidate, collecting agent, connected organization or political committee." Therefore, if a staff person is collecting, in his/her own mind, for a member, or in the member's mind the staff person is a collecting agent, the member has received the contribution.
224	Sen. Brown	Asks if a staff person could raise funds on behalf of a member without the member knowing about it.
	Neal	Responds that the money has to go somewhere to have its desired effect.
233	Sen. Miller	Asks if the current statute is unenforceable by the SOS.
	Rosik	Responds affirmatively. Explains that the AG opinion they received specifically told them they could not enforce 260.174 as currently written.
246	Sen. Miller	Asks what the Elections Division's remedy would be if the current statute remained on the books and someone appeared to be in violation of it.
232	Rosik	Responds that someone could disagree. States that the SOS is acting on advice of their counsel. Adds that they are suggesting amending ORS 260.174 because they have found it very

misleading to the public to leave on the books statutes that are not constitutional.

251 Sen. Miller Asks if it is correct that under the language on page 3 of the bill that the report must be made by "not more than two business days."

Neal Responds that it is correct if one of the persons or committees is subject to the statute. Lines 1 through 5 would apply to "caucus committees, political party committees or persons acting on behalf of candidates for" and would be subject to the 48 hour reporting requirement if they were soliciting funds on behalf of a candidate. SOS's interpretation is, as it is currently, that the prohibition does not apply to those activities so long as there is no conscious direction in either the solicitors' or contributors' minds as to a specific candidate or slate of specific candidates. If it is party building, generally raising the party fervor and the timing happens to be during a legislative session, it is allowed. The SOS interpretation is that it says members of the Assembly may buy or sell tickets to an event because it is not for a specific candidate.

316 Chair Harper Comments that is the way it is today and this is simply a transfer.  
324 Sen. Miller Asks when the reporting must be completed if a contribution is received Monday night at 11:00 p.m.

Rosik Responds that because the day was Monday, it would have to be filed by 5:00 p.m. on Wednesday.

345 Chair Harper Recesses meeting at 3:25 p.m.  
345 Chair Harper Reconvenes meeting at 3:27 p.m.  
348 Sen. Minnis **MOTION: Moves to ADOPT SB 215-1 amendments dated 01/18/01.**

352 **VOTE: 6-0**  
**EXCUSED: 1 - Sen. Atkinson**

**Chair Harper Hearing no objection, declares the motion CARRIED.**

358 **Sen. Minnis MOTION: Moves SB 215 to the floor with a DO PASS AS AMENDED recommendation.**

362 Sen. Brown Comments that SB 215 deletes portions of current statutes and there has been no court ruling finding that statute is unconstitutional; however, the SOS has said they will not enforce it. It leaves the people who read the statute not knowing what the current practice is. States that to the extent that it is more practical, she will support this version. Adds that she is uncomfortable deleting current statute when a court has not found it unconstitutional.

380 Sen. Harper Comments he appreciates Sen. Brown's comments but from the SOS's perspective, this is trying to make this clean and clear to the public.

383 **VOTE: 6-0**  
**AYE: In a roll call vote, all members present vote Aye.**  
**EXCUSED: 1 - Sen. Atkinson**

**Chair Harper The motion CARRIES.**

**SEN. HARPER will lead discussion on the floor.**

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Chair Harper  
Chair Harper

Announces agendas for future meetings.  
Adjourns meeting at 3:30 p.m.

Submitted By,

Reviewed By,

Annetta Mullins,  
Committee Assistant

Craig Allen,  
Committee Administrator

**EXHIBIT SUMMARY**

**A - SB 215, SB 215-1 amendments, Secretary of State, Elections Division, 1 p**