

HOUSE COMMITTEE ON RULES AND ELECTIONS

March 5, 1997 Hearing Room E

3:00 P.M. Tapes 15 - 17

**MEMBERS PRESENT:**

Rep. Lynn Snodgrass, Chair

Rep. Peter Courtney, Vice-Chair

Rep. Lee Beyer

Rep. Bill Markham

Rep. Ken Messerle

Rep. Bob Montgomery

**MEMBER EXCUSED:**

Rep. Kitty Piercy

**STAFF PRESENT:**

Rosemary Wood, Administrator

Valerie Luhr, Administrative Support

Kellie Shoemaker, Committee Clerk

**MEASURE/ISSUES HEARD:**

HB 2548 Informational Meeting

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.

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 15, A</b>		
005	Chair Snodgrass	Calls the meeting to order at 3:10 p.m. The work session on HJR 35 will be rescheduled. Opens the informational meeting on HB 2548. There will be no public testimony, only invited testimony
<b><u>HB 2548 - INFORMATIONAL</u></b>		

<b>MEETING</b>		
021	Colleen Sealock	Director, Elections Division, reads prepared testimony explaining HB 2548 [ <b>EXHIBIT A</b> ].
059		* Section 6, which requires weekly reporting
070		* Section 7, which mandates the division accept electronic filing.
		* repeal of Ballot Measure 9
103	Rep. Markham	Asks Sealock to clarify tax credits.
	Sealock	* Bring into compliance current statutes to that ruling. * Tax credits are given to ballot measures committees only under Ballot Measure 9 and candidates who agree to voluntary expenditure limits. * HB 2548 repeals the sections restoring tax credits to everyone.
117	Chair Snodgrass	Says the committee will have Secretary of State Keisling come before the committee to testify on HB 2548.
138	Sealock	Testifies additionally about HB 2548.
143	Mary Botkin	American Federation of State, County and Municipal Employees (AFSCME) Council 75, submits and presents written testimony [ <b>EXHIBIT B</b> ] in support of the repeal of Ballot Measure 9.
193	Botkin	Continues prepared testimony.
250	Botkin	Comments in support of tax credits.
272	Botkin	Continues prepared testimony.
322	Rep. Markham	Comments on Ballot Measure 9. Suggests to Botkin that she mention to Oregon Education Association people that independent campaigns are evil.
344	Botkin	Testifies she would not presume to speak for Mr. Danielson or the Oregon Education Association. There is a better way to do this.
373	Chair Snodgrass	Asks about item 3 in Exhibit B and how it could be addressed.
391	Botkin	Explains that moving more and more to mail ballots should stop some last minute hits.
<b>TAPE 16, A</b>		
013	Chair Snodgrass	Referring to item 6, ( <b>EXHIBIT B</b> ), asks if the requirement came from the federal government and what do you envision it to be like.
029	Botkin	Comments on the fund raising processes. Everyone should be

		treated the same in fund raising.
057	Rep. Messerle	Refers to item 3 EXHIBIT B, asks about a specific figure.
02	Botkin	Asks about how you would get to a per diem based on size of district. Find out what is withstanding the courts around the country.
	Rep. Messerle	Says he was referring to expenditure limits.
	Botkin	Explains he does not have a good answer for that.
	Chair Snodgrass	Asks Secretary of State Phil Keisling if he wants to testify. He says he will wait.
099	Hans Linde	Professor at Willamette University and former court judge. Comments on his interest in campaign finance reform. Does not have a prepared statement, but is here today to answer any questions the committee might have about campaign finance. Trying to regulate political speech by imposing limits cannot be done. Give incentives to those who comply with voluntary limits.
166	Vice-Chair Courtney	Asks Linde what he means by incentives for limits.
174	Linde	<ul style="list-style-type: none"> <li>* Testifies Measure 9 tried to limit tax contributions.</li> <li>* Constitutionally, both houses of the congress operate on principle to give incentives.</li> <li>* You can't differentiate, you must treat everyone the same. Eligibility test; if you qualify everyone gets the same.</li> <li>* Refers to Botkin's testimony.</li> <li>* Independent campaign expenditures--cannot prevent people from voicing their opinion.</li> <li>* No money ever went to candidates or campaigns.</li> <li>* No campaign workers ever got any money</li> </ul>
275	Vice-Chair Courtney	Asks if donated money be limited.
297	Linde	Responds he would say not. The origin can be limited. But not the amount of money. It has to be voluntarily given.
302	Vice -Chair Courtney	Questions and discussions on independent campaign.
322	Linde	Responds
327	Chair	Asks how much it costs to run a campaign for a house district.

	Snodgrass	
333	Linde	In his district it was high. There are other things beside spending money that get candidates elected. \$50,000
<b>TAPE 15, B</b>		
003	Linde	Discussion of ballot measures makes exposure invisible to individual races.
014	Rep. Beyer	Ohio--you cannot require disclosure. Asks if there is away do to that.
020	Linde	Responds that he does not know that case and can give his own opinion.
030	Rep. Beyer	Explains the case in Ohio--limiting free speech.
035	Linde	Explains he knows the background of free speech
041	Phil Keisling	<p>Secretary of State. Campaign finance is a very difficult issue to deal with. Comments on his 1988 campaign for the state legislature. Perceived advantage makes resolution very hard.</p> <ul style="list-style-type: none"> <li>* Leave voluntary spending limits in place.</li> <li>* More disclosure</li> <li>* Amend constitution for mandatory limits or statutory authorization</li> <li>* Expand voluntary model and tax credits</li> <li>* Voluntary contribution acceptance limits</li> <li>* Surviving federal court challenges</li> <li>* Agreement on what was liked about Ballot Measure 9</li> </ul>
132	Keisling	<p>Says what he liked about Ballot Measure 9 was that individual Oregonians contributed twice as much money in the 1996 cycle as they did in the 1992 cycle.</p> <ul style="list-style-type: none"> <li>* There is not a level playing field that everyone will agree to.</li> <li>* Try to promote accountability.</li> <li>* Disclosure issue is very tough</li> </ul>
		Director, Oregon State Public Interest Research Group (OSPIRG), Explains his organization. Ballot Measure 9 received 72 percent support from Oregon's citizens. Limiting campaign contributions is not a radical idea. Campaign spending is increasing at three times of inflation. Measure 9 decreased those actions. Expenditures and contributions

197	Randy Tucker	<p>declined. More individuals became involved. Virtually every candidate complied with the spending limitations.</p> <p>Opportunity to move forward in campaign finance reform in the aftermath of the court decision on Ballot Measure 9. Supports increased disclosure, but principles worth incorporating into the measure:</p> <ul style="list-style-type: none"> <li>* measures that would tend to increase access to the process by citizen and candidates</li> <li>* candidates should have ability to participate in the process regardless of their wealth. Access to money should not determine whether you can run for office.</li> <li>* accountability to citizens</li> <li>* money flow through candidates' campaigns rather than elsewhere</li> <li>* Need for serious, comprehensive campaign finance reform to regain confidence of the people.</li> </ul>
369	Rep. Montgomery	Asks what a wealthy contributor is.
374	Tucker	Responds that he spoke out against the independent expenditure. Explains the money comes from individual citizens contributing in small amounts. He thinks its worth having a discussion about how the aspect of union fund raising should be incorporated into a campaign reform measure.
394	Chair Snodgrass	Explains why committee members have left. Asks Tucker if he considers OSPIRG a special interest group.
<b>TAPE 16, B</b>		
005	Tucker	Responds he does not consider OSPIRG to be a special interest group.
016	Chair Snodgrass	Asks if OSPIRG is going to introduce legislation.
018	Tucker	Is not aware of any legislation. But a consideration is a constitutional amendment that would enable something like Measure 9 to stand.
030	Chair Snodgrass	Asks about the public tax credit.
035	Tucker	Explains OSPIRG supports the public tax credit.
040	Chair Snodgrass	Asks what is a reasonable limit.
		Responds Try to reduce the price of running a campaign.

045	Tucker	Current limits are viable but recognize inflation.
051	Chair Snodgrass	Asks about the difference in the amount of money between the Portland metropolitan area as compared to Eugene and other various cities..
055	Tucker	Replies that different expenses in different geographic areas balance out.
060	Chair Snodgrass	Asks where they got their figures from dollar amounts or numbers of individuals.
065	Tucker	Responds that dollar amounts were used.
070	Chair Snodgrass	Asks about percentage of dollars and actual amount of dollars.
074	Tucker	Responds he doesn't understand the question.
078	Chair Snodgrass	Asks when the analysis was done and who was included in the analysis.
083	Tucker	Responds has not done any formal analysis.
087	Chair Snodgrass	In the brief that was filed that overturned Ballot Measure 9, OSPIRG referred to corruption. We need some specific examples
093	Tucker	Responds does not have that information.
098	Chair Snodgrass	It is very important for the committee to have that type of information. Need to know what corruption needs to be taken out.
106	Tucker	Irrespective of any actual corruption, the influence of money in who gets to run and who gets elected is a perception that needs to be corrected.
125	Dave Moss	<p>Associated Oregon Industries.</p> <ul style="list-style-type: none"> <li>* Oregon system has always been based on disclosure. It is not perfect, but has worked very well.</li> <li>* Costs are not being controlled by the candidates</li> <li>* Complaining about corruption when there is not any. That is not good for the public image, which in turn encourages the committee to look for corruption if there is any or not.</li> <li>* Any sort of change should have accountability built in. Ballot Measure 9 took away accountability, although it did not mean to do that and the voters did not understand.</li> <li>* There were some decent things in Ballot Measure 9. Need more individual contributions.</li> <li>* Believe it would be an error to remove the balance of Ballot</li> </ul>

		<p>Measure 9.</p> <ul style="list-style-type: none"> <li>* Get rid of the tax credit for campaigns</li> <li>* Ballot Measure 9 did not cover campaigns at the local level.</li> <li>* Weekly disclosure is not realistic. Monthly disclosure would be reasonable to apply to candidates, ballot measures, PACs, etc.</li> <li>* Ballot Measure 9 forced candidates to look at campaign expenditures. Volunteers are far more valuable than a contribution.</li> </ul>
341	Moss	Voluntary acceptance level for tax credits.
361	Rep. Montgomery	Replies he appreciates Moss's comments.
365	Moss	Explains the reference to corruption
379	Chair Snodgrass	Agreeing with someone does not mean corruption.
<b>TAPE 17, A</b>		
005	Moss	Asks whether philosophy follows the contribution or contribution follows the philosophy and if that makes a difference he think it does make a difference.
020	Chair Snodgrass	Asks about how much money will be spent to run a campaign.
030	Moss	Lots. You cannot run a campaign by sending out one piece of mail and knocking on doors one at a time. To run a competitive race you must use multi-media. Says \$35,000 is a lean campaign for a house seat.
042	Chair Snodgrass	Asks about knocking on doors for city council, and about how many doors in an hour did he knock on..
046	Moss	Replies that he did knock on doors and no more than thirty in an hour.
055	Chair Snodgrass	Asks about the doors he knocked on and the terrain he encountered.
060	Moss	Responds got lots of exercise. Knocked on forty-five hundred doors
065	Chair Snodgrass	Adjourns meeting at 5:10 p.m.

Submitted by, Reviewed by,

Valerie H. Luhr Rosemary Wood

Administrative Support Specialist Administrator

Transcribed by,

Erik Deitz

Committee Clerk

**EXHIBIT SUMMARY**

**A - HB 2548, Written Testimony, Phil Keisling, 2 pp.**

**B - HB 2548, Written Testimony, Mary Botkin, 2 pp.**