

**HOUSE COMMITTEE ON RULES AND ELECTIONS**

**April 16, 1997 Hearing Room E**

**4:00 PM Tapes 45, 46**

**MEMBERS PRESENT:**

**Rep. Lynn Snodgrass, Chair**

**Rep. Peter Courtney, Vice-Chair**

**Rep. Lee Beyer**

**Rep. Ken Messerle**

**Rep. Bob Montgomery**

**Rep. Kitty Piercy**

**MEMBER EXCUSED:**

**Rep. Bill Markham**

**STAFF PRESENT:**

**Rosemary Wood, Administrator**

**Valerie Luhr, Administrative Support**

**Kellie Shoemaker, Committee Clerk**

**MEASURE/ISSUES HEARD:**

**HB 2201 Public Hearing**

**HB 3518 Public Hearing**

**HB 3519 Public Hearing**

**HB 2202 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.**

<b>Tape/#</b>	<b>Speaker</b>	<b>Comments</b>
<b>TAPE 45, A</b>		
	Chair	Calls the meeting to order at 4:13 p.m. as a subcommittee. Opens the

004	Snodgrass	public hearing on HB 2201.
<b>HB 2201 - PUBLIC HEARING</b>		
016	Colleen Sealock	Elections Director, submits and presents testimony <b>[EXHIBIT A]</b> on HB 2201. Explains that original version of bill is very different from the hand-engrossed version <b>[part of EXHIBIT A]</b> .
042	Chair Snodgrass	Asks Fred Neal to go through the section-by-section summary
043	Fred Neal	Campaign Finance Manager, Elections Division, reviews the section-by-section summary of HB 2201 using the hand-engrossed bill <b>[part of EXHIBIT A]</b> .
072	Chair Snodgrass	Asks if there is a definition of the term "labor organization."
074	Neal	Says the term is not used. Continues review of HB 2201 <b>[EXHIBIT A]</b> .
120	Neal	Continues prepared testimony.
131	Chair Snodgrass	"Regularly published" could be something that is published every two years.
134	Rep. Montgomery	"Political committee," does that also refer to candidate? Uses example.
139	Neal	Answers "no," and asks the Chair if she has a question.
141	Chair Snodgrass	States that she understands what Neal meant, but "regularly published" can apply to every two years.
145	Neal	Says there is something they were trying to get at, the ones that suddenly appear.
149	Sealock	That is something they are trying to get at. If it is only at elections, it is every two years. "Thus skirting the issue that it is really a campaign expense." Would look at various other factors.
164	Neal	Continues prepared summary <b>[EXHIBIT A]</b> .
213	Sealock	Encourages the committee to refer often to the section-by-section-summary.
219	Neal	Continues summary <b>[EXHIBIT A]</b> .
260	Neal	Continues summary <b>[EXHIBIT A]</b> .
302	Chair Snodgrass	Asks for explanation of how a political committee could act as an independent expenditure.
308	Neal	Explains. The definition of an independent expenditure means that it was not made with the knowledge/cooperation of that candidate or the candidate's opponent.
321	Sealock	Clarifies there is a difference between an individual campaign expenditure and a PAC independent expenditure.
329	Neal	Continues summary <b>[EXHIBIT A]</b> .

360	Neal	Continues summary [EXHIBIT A].
408	Chair Snodgrass	Referring to Section 8 [EXHIBIT A], says it goes back to the old way.
409	Neal	Concurs. Continues summary [EXHIBIT A].
<b>TAPE 46, A</b>		
001	Neal	Continues summary [EXHIBIT A].
027	Rep. Piercy	Asks what is the reasoning to have a notice of complaint notarized.
031	Sealock	It is hard to find the history of that particular section. Citizens and candidates who file complaints have simply been told to have them notarized.
045	Chair Snodgrass	Refers to Section 10, once a complaint has been filed, is it part of public record regardless of whether it is found to be accurate?
048	Sealock	Yes, except those complaints which carry a criminal penalty.
054	Neal	Comments there are no criminal penalties with "C and E" statements.
057	Chair Snodgrass	Would notarizing slow the complaint process down?
065	Sealock	Does not believe there will be a change; explains. Says it is an interesting point.
073	Neal	Continues summary [EXHIBIT A].
102	Rep. Beyer	Refers to Section 18 [EXHIBIT A], "Given that they didn't rule this out, do you believe from your discussions with Counsel that you could even tighten this up more?"
107	Neal	Explains, views this as a disclosure provision, not a limitation on finance provision. Only if disclosure requirements made it impossible to make the expenditure, then it would be unconstitutional.
125	Chair Snodgrass	Asks about "new" section 18, sub-section 3 and for the definition of "obligated."
130	Neal	"Debt is incurred." If you have an account payable, then it is obligated.
133	Chair Snodgrass	Follow-up question with an example.
139	Sealock	You must trust the person who is making the expenditure to make a timely disclosure. Or rely on other people who know it and report it. Elections Division will pursue if there is reasonable evidence.
152	Neal	If you are reporting a deposit correctly, then the date of the deposit is the date the expenditure is obligated.
173	Chair Snodgrass	What if the obligation is rescinded. This shows no notification requirements or provisions to let the parties know it did not go through.
184	Sealock	As you point out as part of the campaign strategy, with the question at what point is notification given if a "buy" does not happen. We could work on language to clarify this issue, but it will be difficult because some of the actions involved may run all the way to election day.

199	Chair Snodgrass	Is independent expenditure as restrictive under the re-write as it was in Measure 9?
205	Sealock	The definition to independent expenditure was in place prior to Measure 9; the clarification is that you as a PAC, as an individual candidate, you can contribute to another candidate.
217	Chair Snodgrass	Asks then if she as a contributor can talk to the candidate to whom she is contributing. I can tell him I can make the notification but he has to report it.
219	Neal	Tells the Chair, in her example, she wouldn't have to report it within 24 hours because it is a contribution to Rep. Beyer. He will report it.
223	Rep. Beyer	Asks if a person was going to do a hit piece, are they precluded from doing that? Is that considered a contribution?
230	Neal	It becomes a contribution if they talk to one of the candidates.
233	Rep. Beyer	"That's awkward." If someone decides they want to run a hit piece against my opponent and they call me to tell me, and I tell them not to do it, but they do it anyway. I would not like to have to claim that as a campaign expenditure.
240	Chair Snodgrass	Trying to get away from the ugliness of independent expenditure.
250	Sealock	This bill does not address those problems.
252	Neal	Can only hope with the repeal of the statutes limiting and prohibiting contributions from PACs to candidates, candidates to candidates, etc., there won't be as much motivation to have independent expenditures.
260	Chair Snodgrass	Agree, but the situation Rep. Beyer explained could be very damaging.
265	Rep. Beyer	Interested in pursuing, mentions the fairness in campaigning bill. Legislative counsel has had some concerns on this.
281	Sealock	What we attempted to do with this bill was technical fixes; did not attempt to reach any other policy fixes.
286	Chair Snodgrass	But is this a technical fix?
287	Sealock	Responds. We think so, because comes closest to being policy. Important to repeal the sections on which to the court has ruled.
308	Rep. Beyer	I appreciate what they are doing. Asks the Chair if there is an interest in taking on the policy issues. This would seem to be an appropriate place to do it.
314	Chair Snodgrass	Going back to the first part of the bill, on page three you eliminated "labor organization" but later on inserted it. Need consistency. There was difficulty with the word "corporation," Need to address the differences between a business corporation, and a PAC, which is incorporated.
333	Neal	That is not relevant with the repealing of the prohibition of corporate contributions, which is where the problem was.

338	Chair Snodgrass	In anticipation that a corporation would be excluded at some point in the future, that needs to be considered so that we are prepared.
346	Sealock	We agree. But because that whole section was found unconstitutional there is not really any place to address it. Not sure how we write something that is prospective.
361	Chair Snodgrass	Asks for a review of definitions on independent expenditures as opposed to the political committee, you identify individual independent expenditures as different.
383	Chair Snodgrass	Closes public hearing on HB 2201. Opens public hearing on HB 3518.
<b><u>HB 3518 - PUBLIC HEARING</u></b>		
391	Rosemary Wood	Committee Administrator, reviews the provisions of HB 3518.
403	Vicki Ervin	Director of Elections, Multnomah County, speaking on behalf of the Oregon Association of County Clerk, reviews HB 3518 and states their opposition to the bill.
<b>TAPE 45, B</b>		
003	Chair Snodgrass	Closes the public hearing on HB 3518. Opens the public hearing on HB 3519.
<b><u>HB 3519 - PUBLIC HEARING</u></b>		
008	Rosemary Wood	Committee Administrator, reviews the provisions of HB 3519.
014	Chair Snodgrass	Closes public hearing on HB 3519. Opens public hearing on HB 2202.
<b><u>HB 2202 - PUBLIC HEARING</u></b>		
022	Rosemary Wood	Committee Administrator, reviews the provisions of HB 2202.
032	Rep. Montgomery	Asks Sealock if she is going to go through the bill section by section.
		Director of Elections, reviews HB 2202. Referred to as the "Elections housekeeping bill." The committee today will want to address the amendments. Reviews the provisions of the amendments:  * -1 amendments, exhibited at previous meeting. Recommends that they be moved with the bill.  * -2 amendments are not our amendments; if the committee is going to look at them there is a technical problem <b>[EXHIBIT B]</b> .

038	Colleen Sealock	<p>* -3 never made it to the committee</p> <p>* -4 drafted with the help of legislative counsel correct mistakes made in the -3. Reviews the provisions of the -4. Urges the committee to move the -4 amendments[<b>EXHIBIT C</b>].</p> <p>* -5 amendments have not been addressed before. Must register where you live, even if it is under the bridge. If clerk discovers an individual was improperly registered, the clerk can automatically cancel that registration [<b>EXHIBIT D</b>].</p>
118	Rep. Beyer	If you were to do that and went back beyond an election, is that going to cause a problem?
121	Sealock	Once an election is certified, you cannot change those results.
124	Rep. Piercy	If you have a homeless person that goes from place to place, explain to me how that works?
130	Sealock	There is a specific statute that deals with homeless registration. We cannot disenfranchise people purely because they are moving. This allows for the homeless person to choose a number of places to receive their ballot: at the clerk's office, at a mailing address; but when a described residence, must describe where they currently are staying.
146	Chair Snodgrass	Do the -5 amendments take care of your concern?
142	Ervin	Director of Elections, Multnomah County, and the Oregon Association of County Clerks, the -5 will help.
167	Chair Snodgrass	<p>Closes public hearing on HB 2202.</p> <p>Declares the meeting adjourned at 4:23 p.m.</p>

Submitted by, Reviewed by,

Valerie H. Luhr Rosemary Wood

Administrative Support Specialist Administrator

Transcribed by,

Kellie A. Shoemaker

Committee Clerk

### **EXHIBIT SUMMARY**

**A - HB 2201, written testimony, Colleen Sealock, 25 pp**

**B - HB 2202, amendments, staff, 2 pp**

**C - HB 2202, amendments, Sec. of State's office, 6 pp**

**D - HB 2202, amendments, Sec. of State's office, 1 p**