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SENATE COMMITTEE ON RULES AND ELECTIONS

March 18, 1997 Hearing Room 343

3:00 PM Tapes 20 - 21

MEMBERS PRESENT:

Sen. Randy Miller, Chair

Sen. Cliff Trow

MEMBER EXCUSED:

Sen. Gene Derfler, Vice-Chair

Sen. Neil Bryant

Sen. Randy Leonard

STAFF PRESENT:

Jan Nordlund, Administrator

Jennifer Peck, Administrative Support

MEASURE/ISSUES HEARD:

SB 539 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.

Tape/#	Speaker	Comments
TAPE 20, A		
003	Chair Miller	Opens meeting at 3:10 p.m. Notes the lack of a quorum, so cancels the work session on SB 138. Opens public hearing on SB 539.
SB 539 PUBLIC HEARING		
040	Chair Miller	Explains SB 539. Comments on the problems with the current tax credit for political donations. Supports SB 539.
082	Sen. Trow	Comments on the benefit of tax credit.
095	Chair Miller	Comments on Measure 9.
109	Dianna McCoy	Oregon American Federation of State, County and Municipal Employees, Multnomah County. Opposes SB 539.
123	Anne Hill	Oregon Public Employees Union. Presents (EXHIBIT A) in opposition to SB 539.
139	Steve Lanning	Political Coordinator, Oregon AFL-CIO. Presents (EXHIBIT B) in opposition to SB 539.
158	Chair Miller	Asks if the witnesses would prefer this money go toward financing campaigns or toward educating kids.
165	Hill	Responds that the kicker should be looked at instead.
177	Lanning	Comments helping campaigns would then help to get better education.
184	Sen. Trow	Comments on other options for funding.
188	Chair Miller	Comments on educational funding.
202	Sen. Trow	Discusses the funding.
210	Chair Miller	Comments that in 1994, 71% of this tax credit was provided by taxpayers with incomes above \$40,000.
228	Randy Tucker	Oregon State Public Interest Research Group. Presents (EXHIBIT C) in opposition to SB 539. Quotes President Adams on the subject of money as an incentive for decisions in the legislature.
284	Tucker	Comments on other tax credit possibilities.
295	Chair Miller	Asks whether Tucker would put \$10 million toward education or political campaigns.
307	Tucker	States he cannot respond.
310	Chair Miller	Asks if Tucker believes citizens would give as much money to campaigns without the benefit of this tax credit.
317	Tucker	States citizens probably would not give as much.
319		Discussion of revenue and citizen involvement in campaigns.

335	Chair Miller	Explains the tax credit was established in 1969.
349	Chair Miller	Asks if it is conscionable that politicians should receive the money rather than other causes such as education.
360	Tucker	States this tax credit allows a wider range of citizens to contribute to campaigns.
374		Discussion of people supporting politicians with or without the tax credit.
420		Discussion of options where the \$10 million could be used.
TAPE 21, A		
018	David Buchanan	Oregon Common Cause. Opposes SB 539. States the money is a public investment in better government.
043	Chair Miller	Asks if citizens would contribute without the tax credit.
045	Buchanan	Responds they would but only wealthier people would contribute.
055		Discussion of the tax credit.
069	Chair Miller	Asks if contributions for federal candidates have decreased.
070	Buchanan	Responds he does not think they have.
079		Discussion continues concerning tax credit.
094	Buchanan	Comments on other states' systems for campaign contributions.
111		Discussion continues on citizens' choices in where they invest their money.
133	Sen. Trow	Comments on how tax credits should be used.
162	Buchanan	Comments on the effect the tax credit does or does not make on citizens' political donations.
19	Sen. Trow	Comments on further reworking of SB 539.
201	Dave Moss	Associated Oregon Industries. Supports SB 539. States opinion that the tax credit fosters special interest support in the political process.
244	Chair Miller	Closes public hearing on SB 539.
255	Chair Miller	Adjourns meeting at 3:56 p.m.

Submitted By, Reviewed By,

Jennifer Peck, Jan Nordlund,

Administrative Support Administrator

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EXHIBIT SUMMARY

A - SB 539, written testimony, Anne Hill, 2 pp

B - SB 539, written testimony, Steve Lanning, 1 p

C - SB 539, written testimony, Randy Tucker, 2 pp
