June 16, 1993 Hearing Room E Postponed until 2:00 p.m. Tapes 87 - 88

MEMBERS PRESENT: Rep. John Watt, Chair Rep. Lonnie Roberts, Vice-Chair Rep. Dave McTeague Rep. Cedric Hayden Rep. Michael Payne Rep. Eldon Johnson Rep. Fred Girod Rep. Avel Gordly Rep. Delna Jones

STAFF PRESENT: Adrienne Sexton, Committee Administrator Bryan Boehringer, Committee Clerk

MEASURES CONSIDERED: SB 159 A - Relating to the Oregon Government Ethics Commission

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These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. [--- Unable To Translate Graphic ---]

TAPE 87, SIDE 88

004 CHAIR WATT: Calls the meeting to order at 2:09 p.m.

PUBLIC HEARING ON SB 159-A Witnesses: David Nadal Rep. John Schoon, District 34 Sen. Grattan Kerans, District 20 John Dilorenzo Pat Hearn, Oregon Government Ethics Commission Don Dole, Oregon Government Ethics Commission Jim Green, Oregon School Board's Association Art James, Executive Department Rich Peppers, Oregon Public Employee's Union Bob Cantine, Association of Oregon Counties

019 ADRIENNE SEXTON, COMMITTEE ADMINISTRATOR: SB 159-A revises Oregon ethics law and function of the Oregon Government Ethics Commission by

improving the regulation of lobby and public officials. Discusses the

amendments.

064 DAVID NADAL: Submits and reviews testimony in support of SB 159. (EXHIBIT A)

198 CHAIR WATT: Discusses the relevancy of the testimony. 213 NADAL: Asks about the status of the portion of the bill that he mentioned in his testimony.

215 CHAIR WATT: Explains that Mr. Nadal is the first witness. Explains that the committee has not yet begun to work on that portion of the

bill.

217 NADAL: Explains that he was aware of some amendments that had left that portion in the bill.

219 CHAIR WATT: Explains that the committee has not yet addressed the amendments.

221 NADAL: Asks if the committee is aware of any amendments that affect the part of the bill that he is interested in.

223 CHAIR WATT: Explains that the committee is not aware of amendments affecting that portion of the bill at this time.

229 REP. JOHN SCHOON, DISTRICT 34: Testifies is support of SB 159 A. Discusses his proposed amendment. (EXHIBIT B)

278 REP. MCTEAGUE: Asks if the ethics Commission's sanctions are appropriate for these cases.

283 REP. SCHOON: Explains that this would be effective. Discusses the incentive.

294 REP. JOHNSON: Asks about amendments.

299 SEN. GRATTAN KERANS, DISTRICT 20: Submits and reviews testimony in support of SB 159 A. (EXHIBIT C)

368 REP. ROBERTS: Discusses limitations of the commission.

372 SEN. KERANS: Discusses the lengths of investigations.

406 REP. ROBERTS: Asks which individuals will be called up in the investigation process.

411 SEN. KERANS: Explains that the Commission will be able to call the complainants. Discusses the complaint process.

455 CHAIR WATT: Asks about the definition of frivolous.

457 SEN. KERANS: Explains the definition. Discusses the efficiency of the Ethics Commission. Discusses changes in the Ethics Code.

TAPE 88, SIDE A

030 SEN. KERANS: Continues with testimony. Discusses honorarium.

042 REP. D. JONES: Asks for clarification of the relationship with the private professional and the public legislator.

046 SEN. KERANS: Defines the relationship and explains the differences. 062 REP. JOHNSON: Asks about the receipt of awards.

065 SEN. KERANS: Explains that it will only be regulated if it has a cash value.

068 REP. JOHNSON: Asks about restrictions on food and lodging.

070 SEN. KERANS: Explains that those issues are discussed in another bill. Continues with testimony.

092 REP. ROBERTS: Asks about a certain scenario involving nepotism.

097 SEN. KERANS: Explains that quid pro quo is what gives rise to the violation.

103 REP. GORDLY: Asks about employment of relatives in the legislature.

106 SEN. KERANS: Explains that it is untouched, unless you are using your official position to reward a family level or help them avoid an

economic loss. If the family member is earning their salary, there is

no problem. Continues with testimony.

236 REP. ROBERTS: Asks about the determination of intent to withhold vital information.

246 SEN. KERANS: Explains that it must be a willful violation with an intent to hide information to become suspect. Continues with testimony. Discusses penalties for individuals or divisions that compromise

sensitive and private information.

295 REP. MCTEAGUE: Asks about the Dilorenzo proposal.

297 SEN. KERANS: Explains the differences between the two proposals. Explains his opposition to the A-9 amendment proposed by the Capitol

Club.

341 REP. MCTEAGUE: Asks about Rep. Schoon's amendment.

 $343\,$ SEN. KERANS: Explains that he doesn't have an opinion on that amendment at this time.

356 JOHN DILORENZO: Submits and reviews testimony in support of SB 159 A. (EXHIBIT D and testimony from the Subcommittee on Rules, May 14, 1993)

Discusses the amendments.

TAPE 87, SIDE B

044 DILORENZO: Continues with testimony.

116 REP. ROBERTS: Asks about clarifying the process in the body of the bill.

120 DILORENZO: Discusses clarification of the process. Discusses confidentiality issues. Discusses the other amendments submitted.

126 REP. ROBERTS: Asks about the circuit court process of reviewing a case.

128 DILORENZO: Explains the process of considering the evidence. Discusses the questions that the circuit court would consider.

243 REP. ROBERTS: Discusses the registration of lobbyists.

248 DILORENZO: Explains that unanticipated effects of the legislation. Discusses the section that pertains to the giving gifts. Discusses

potential problems that occur from the "overkill" in working on some

problems in this legislation.

295 CHAIR WATT: Asks about the redrafting process of the A-14 amendments.

296 DILORENZO: Explains that he will begin work on the amendments.

312 PAT HEARN, OREGON GOVERNMENT ETHICS COMMISSION: Testifies in support of SB 159 A.

318 DON DOLE, CHAIR, OREGON GOVERNMENT ETHICS COMMISSION: Submits and reviews testimony in support of SB 159 A. (EXHIBIT E)

460 REP. ROBERTS: Asks about the gathering of evidence. Discusses confidentiality issues.

471 DOLE: Explains that confidentiality is an issue.

478 REP. ROBERTS: Discusses the release of public documents.

482 DOLE: Explains what is public record.

TAPE 88, SIDE B

036 REP. ROBERTS: Discusses problems with the perceptions cast by the media.

046 DOLE: Explains the use of public records. Continues with the testimony. Discusses relations with family members.

061 REP. GORDLY: Clarifies her question that she asked earlier.

064 DOLE: Continues with testimony. Discusses examples of misuse of public services.

108 CHAIR WATT: Clarifies the focus of the legislation. Discusses the public trust, and the perceptions of the public.

136 REP. PAYNE: Asks about the division of responsibilities between the courts and administration in regard to total damages in the case.

141 DOLE: Explains the division.

153 HEARN: Discusses Mr. Dilornzo's testimony. Discusses the amendments. Discusses the commission's subpoena power.

231 REP. HAYDEN: Discusses the presupposition of guilt.

235 HEARN: Discusses the legal rights of the defendant.

254 REP. HAYDEN: Asks if public official can request or stipulate information at the discretion of the Commission.

256 HEARN: Explains. Continues with testimony.

305 DOLE: Discusses Rep. Schoon's proposal.

324 JIM GREEN, OREGON SCHOOL BOARD'S ASSOCIATION: Testifies in support or SB 159 A. Discusses conflicts of interest. Opposes the A-11 amendment.

359 ART JAMES, EXECUTIVE DEPARTMENT: Testifies on SB 159 A. Discusses concerns with section 10.

399 RICH PEPPERS, OREGON PUBLIC EMPLOYEES UNION: Submits and reviews testimony in support of SB 159 A. (EXHIBIT F) Requests amendments.

413 BOB CANTINE, ASSOCIATION OF OREGON COUNTIES: Testifies on SB 159 A. Discusses concerns with the bill.

CHAIR WATT: Adjourns the meeting at 4:00 p.m. 429

Submitted by: Reviewed by:

Bryan Boehringer Adrienne Sexton Committee Clerk Committee Administrator

EXHIBIT LOG:

A - Testimony on SB 159 A - David Nadal - 23 pages B - Amendments to SB 159 A - Rep. John Schoon - 1 page C - Testimony on SB 159 A - Sen. Grattan Kerans - 7 pages D - Testimony on SB 159 A - John Dilorenzo - 1 page E - Amendments to SB 159 A - Donald Dole - 1 page F - Testimony on SB 159 A - Rich Peppers - 1 page G - Testimony on SB 159 A - Jon Stubenvoll - 3 pages