

HOUSE COMMITTEE ON RULES AND REORGANIZATION

July 29, 1993      Hearing Room E 1:30 p.m.      Tapes 132 - 133

MEMBERS PRESENT: Rep. John Watt, Chair Rep. Lonnie Roberts, Vice-Chair  
Rep. Dave McTeague Rep. Cedric Hayden Rep. Michael Payne Rep. Eldon  
Johnson Rep. Ray Baum Rep. Avel Gordly Rep. Patti Milne

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

MEASURES CONSIDERED: HB 2784 - Relating to state financial  
administration; declaring an emergency. SB 111 B - Relating to  
Oregon Government Ethics

Commission; appropriating money.

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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 132, SIDE A

003 CHAIR WATT: Calls the meeting to order at 2:55 p.m.

PUBLIC HEARING ON HB 2784 Witnesses: Sue Wilson, Legislative  
Administrative Services

007 SUE WILSON, LEGISLATIVE ADMINISTRATIVE SERVICES: Testifies in  
support of HB 2784, as amended. Explains the PERS problem with  
temporary

employees. Explains that a similar step was taken in 1981.

024 CHAIR WATT: Asks how many people this would affect.

025 WILSON: Does not know exact number. Explains the costs to the  
state if the bill is not passed.

027 VICE-CHAIR ROBERTS: Asks if the bill goes to Appropriations.

029 ADRIENNE SEXTON, COMMITTEE ADMINISTRATOR: Discusses the  
fiscal statement. Explains the referral.

034 CHAIR WATT: Clarifies the cost avoidance issue.

WORK SESSION ON HB 2784

039 MOTION: REP. ROBERTS: Moves to ADOPT the HB 2784-1  
amendments.

041 REP. GORDLY: Asks about the intent of the bill.

044 CHAIR WATT: Clarifies the temporary employee situation. Discusses qualification of PERS benefits.

VOTE: 7-1 Motion passes AYES: Baum, Gordly, Johnson, Milne, Payne, Roberts, Watt NO: McTeague EXC.: Johnson

057 MOTION: REP. ROBERTS: Moves HB 2784, AS AMENDED, to the Floor with a DO PASS recommendation.

VOTE: 7-1 Motion passes AYE: Baum, Gordly, Johnson, Milne, Payne, Roberts, Watt NO: McTeague EXC.: Hayden

REP. BAUM will lead discussion on the Floor.

PUBLIC HEARING ON SB 111 B Witnesses: Sen. Grattan Kerans, District 20 Ed Patterson, Capitol Club Diana Godwin, Capitol Club Pat Hearn, Oregon Government Ethics Commission

069 SEN. GRATTAN KERANS, DISTRICT 20: Testifies in support of SB 111 B. Explains the need to levy fees to offset the costs of the Ethics

Commission to regulate the lobbies. Discusses amendments. Suggests lowering the biennium charge to \$50. Discusses other state's fees.

(EXHIBIT A)

139 VICE-CHAIR ROBERTS: Discusses the increased time limit to qualify the uncompensated lobbyist. Discusses concerns with the \$50 spending limit.

146 SEN. KERANS: Explains that raising the limit would not be a problem.

150 REP. PAYNE: Asks who is subsidizing the costs.

152 SEN. KERANS: Explains that the taxpayers are paying for the Commission through the General Fund.

152 REP. PAYNE: Discusses concerns with pricing individuals out of the right to petition their government. 158 SEN. KERANS: Explains that compensated lobbyists should be able to afford the minimal biennium fee.

166 REP. PAYNE: Discusses differences in the different lobbies.

172 SEN. KERANS: Explains that the costs for registration are very low and reasonable.

180 REP. PAYNE: Asks about other low budget organizations.

181 SEN. KERANS: Explains that their budgets are in the \$100,000 range.

182 CHAIR WATT: Asks what is considered lobbying in the compensation qualifications.

185 SEN. KERANS: Clarifies what is lobbying. Explains the tracking of the lobbying.

200 CHAIR WATT: Suggests that some of the groups that Rep. Payne is concerned with, would not come under the 24 hour lobby rule.

204 REP. PAYNE: Discusses concerns that we might be providing incentive for violating the honor system.

208 CHAIR WATT: Explains that the Committee will move the fee down to \$50 a biennium.

209 REP. PAYNE: Asks for clarification in the fee.

211 CHAIR WATT: Explains that the fee is not going to break any group. Asks about the program services prepared by the Commission.

227 SEN. KERANS: Explains the contract service to hire a trainer or facilitator.

236 CHAIR WATT: Asks about the contracting idea.

240 SEN. KERANS: Explains that it is providing the option.

248 ED PATTERSON, CAPITOL CLUB: Testifies in opposition to SB 111 B. Suggests amending the bill to require every lobbyist to register.

294 CHAIR WATT: Asks who would come under the requirements in subsection B.

298 PATTERSON: Discusses some examples.

316 VICE-CHAIR ROBERTS: Asks about changing the hour requirement.

328 PATTERSON: Discusses the incentive to not register as a lobbyist.

373 VICE-CHAIR ROBERTS: Discusses concerns with abuse of the registration process.

383 PATTERSON: Discusses other examples of organizations that may be exempted.

391 REP. PAYNE: Discusses concerns with striking the language in subsection B. Asks about the jurisdiction over public officials that lobby.

397 DIANA GODWIN, CAPITOL CLUB: Explains that public officials are currently included in the bill.

401 CHAIR WATT: Asks why the public officials are registered.

412 REP. PAYNE: Discusses an example of the county judges lobbying the legislature.

422 GODWIN: Explains the definition of lobbyist in the statute.

437 VICE-CHAIR ROBERTS: Discusses compensation of public officials.

443 GODWIN: Discusses the language on page 2. Explains that

all compensation will qualify the official as a lobbyist.

454 CHAIR WATT: Asks about the language excluding the judges.

459 GODWIN: Explains that even outside of the language, public officials would still be included in the jurisdiction of compensated lobbyists.

465 REP. PAYNE: Suggests exempting public officials from the fee. Discusses concerns with government taxing government.

477 REP. MILNE: Discusses the problem of exempting the officials.

486 CHAIR WATT: Asks about a constitutional challenge.

TAPE 133, SIDE A

033 GODWIN: Explains that there is a possibility that the statute might be challenged in a court of law.

035 REP. JOHNSON: Asks about the rationale for having a law like this.

041 VICE-CHAIR ROBERTS: Explains the intent to recapture some funds to pay for the ethics commission.

050 PATTERSON: Discusses the Capitol Club's willingness to comply if the fees were levied on all lobbyists.

060 GODWIN: Discusses concerns with the fee closing off open government.

082 CHAIR WATT: Discusses the criteria in section 1.

084 GODWIN: Discusses the criteria for registration. Explains the costs for joining the Capitol Club. Discusses the constitutionality of the

issue.

142 REP. PAYNE: Discusses concerns with deleting subsection B. Discusses the need for the lobbies to pay for maintenance of the Ethics

Commission.

153 GODWIN: Discusses striking subsection B.

162 CHAIR WATT: Discusses a two tier systems.

165 REP. PAYNE: Explains that the fee is reasonable.

173 GODWIN: Discusses past court cases dealing with the first amendment.

182 CHAIR WATT: Asks how many people will be exempted in subsection B.

190 PAT HEARN, OREGON GOVERNMENT ETHICS COMMISSION: Explains the criteria for qualifying compensated lobbyists.

210 CHAIR WATT: Asks who would be affected by the deletion of subsection B.

225 HEARN: Discusses qualifying factors.

230 PATTERSON: Discusses the registration of lobbyists.

239 CHAIR WATT: Asks what would happen if subsection B is left in the bill.

242 GODWIN: Discusses an example.

259 CHAIR WATT: Discusses groups that do not have a lot of money.

264 REP. PAYNE: Discusses low income groups, and their rights to petition their government.

275 CHAIR WATT: Asks what types of programs will come from the Ethics Commission.

285 HEARN: Discusses the use of the funds.

297 CHAIR WATT: Asks about the potential of involving more individuals in state government.

306 REP. MCTEAGUE: Discusses the education of lobbyists.

327 REP. MILNE: Discusses the possibility of fees being increased at some point in the future. Suggests making the educational materials available to those who want them.

349 CHAIR WATT: Explains the education.

360 VICE-CHAIR ROBERTS: Discusses the public subsidizing the lobbyists. Suggests changing the time limits.

379 HEARN: Explains if the time limit is further increased, there will be no revenue.

390 REP. BAUM: Asks about the use of the revenue. 394 HEARN: Explains that the revenue from the fees would free up general fund revenue.

401 REP. MILNE: Asks about the amount of lobbyists involved in ethics violations.

410 HEARN: Explains that the occurrence of lobby violations is very infrequent.

435 REP. GORDLY: Asks how this bill differs from the laws in the other 35 states.

441 HEARN: Explains that Oregon's fee would be the lowest. Discusses the threshold of lobbying time. Explains that most of the other state's have tighter regulations.

465 REP. GORDLY: Discusses payment for access to the system.

TAPE 132, SIDE B

WORK SESSION ON SB 111 B

014 MOTION: REP. ROBERTS: Moves to ADOPT the INCREASED SPENDING LEVEL amendments.

020 REP. BAUM: Asks what the figure is for funding the Ethics Commission.

022 CHAIR WATT: Discusses the amount of anticipated revenue.

024 REP. BAUM: Don't we have to fund precisely what it costs to register the lobbyists?

029 HEARN: Explains that the anticipated revenue doesn't come close to the costs of the program.

031 REP. PAYNE: Asks about the rationale for raising the amount to \$100.

033 VICE-CHAIR ROBERTS: Explains that the increased amount will exclude more people from having to register as lobbyists.

VOTE: CHAIR WATT: Hearing no objection, the amendments are ADOPTED.

Rep. Baum and Rep. Johnson are excused.

051 MOTION: REP. ROBERTS: Moves to ADOPT the DECREASED FEE amendments.

VOTE: CHAIR WATT: Hearing no objection, the amendments are ADOPTED.

Rep. Baum and Rep. Johnson are excused.

056 MOTION: REP. ROBERTS: Moves to ADOPT the DELETION OF SUBSECTION B amendments.

064 REP. PAYNE: Objects to the amendment.

066 REP. MCTEAGUE: Asks for clarification of subsection B.

071 VICE-CHAIR ROBERTS: Discusses exemptions. 077 REP. MCTEAGUE: Discusses volunteer lobbyists.

078 VICE-CHAIR ROBERTS: Discusses the definition of lobbying.

079 REP. MCTEAGUE: Explains that \$100 can easily be spent on postage.

086 REP. PAYNE: Discusses economic bars to individuals who are petitioning their government.

VOTE: 4-4 Motion FAILS AYES: Baum, Hayden, Roberts, Watt NO: Gordly, Milne, McTeague, Payne EXC.: Johnson

105 MOTION: REP. ROBERTS: Moves to ADOPT the CHANGE IN DOLLAR

AMOUNTS amendments.

VOTE: CHAIR WATT: Hearing no objection, the amendment is ADOPTED.

Rep. Johnson is excused.

109 MOTION: REP. ROBERTS: Moves to RESCIND the SUBSEQUENT REFERRAL TO APPROPRIATIONS.

VOTE: CHAIR WATT: Hearing no objection, the referral is rescinded.

Rep. Johnson is excused.

112 MOTION: REP. ROBERTS: Moves SB 111 B, AS AMENDED, to the Floor with a DO PASS recommendation.

VOTE: 7-1 Motion passes AYE: Baum, Gordly, Hayden, McTeague, Payne, Roberts, Watt NO: Milne EXC.: Johnson

REP. WATT will lead discussion on the Floor.

122 CHAIR WATT: Adjourns the meeting.

Submitted by: Reviewed by:

Bryan Boehringer Committee Administrator  
Adrienne Sexton Committee Clerk

EXHIBIT LOG:

A - Amendments to HB 2784 - Sue Wilson - 1 page B - Testimony on SB 111 B - Sen. Grattan Kerans - 4 pages C - Testimony on SB 111 B - Diana Godwin - 1 page D - Testimony on SB 111 B - Diana Godwin - 3 pages