

SENATE ETHICS, ELECTIONS, AND CAMPAIGN FINANCE COMMITTEE

March 23 1993 Hearing Room B 3:00 p.m. Tapes 28 and 29
MEMBERS PRESENT: Senator Grattan Kerans, Chair Senator Neil Bryant
Senator Joan Dukes Senator Rod Johnson Senator Dick Springer STAFF
PRESENT: Annette Talbott, Committee Counsel Tamara Brickman,
Committee Assistant MEASURES CONSIDERED: Public Hearing and Work
Session SB 416 - 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. TAPE 28, SIDE A

004 CHAIR KERANS: Calls meeting to order at 3:21 p.m.

PUBLIC HEARING ON SB 416 WITNESSES: TODD JONES, Assistant to the
Secretary of State DERICK COUGLE, Representing the American Party STEVE
EANNING, Oregon AFL-CIO JOEL ARIO, Executive Director, Oregon State
Public Interest Research Group (OSPIRG) PETER GRUNDFOSSEN, Association
of Oregon Housing Authorities 015 ' TODD JONES, Assistant to the
Secretary of State: Testifies in support of SB 416. (EXHIBIT A)

051 CHAIR KERANS: Discusses certain aspects of the Secretary of State's
testimony. Comments that he would like to work with the Secretary of
State's office to reduce the possible fiscal impacts of the bill.

066 SEN. DUKES: Asks a question in regards to voluntary expenditure
limit levels.

069 JONES: Comments on the Secretary of State's limits as proposed in
SB 143 .

081 SEN. DUKES: Comments that the Secretary of State's limits seem more
reasonable. Discusses the issue of the limits being set for the
metropolitan area. Senate Ethics, Elections, and Campaign Finance
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88 JONES: Discusses what the limits are based on. . 097 CHAIR KERANS:
Comments that geography may not be as much as a "determinant anymore."
Continues discussion on what the limits are based upon.

104 JONES: Comments on the expense of legislative races in regards to
the years 1990 and 1992.

107 SEN. DUKES: Discusses reasoning behind legislative races getting
more expensive.

126 DERICK COUGLE, Representing the American Party: Discusses the
American Party and clarifies who they are. Testifies in support of SB
416. (EXHIBIT B)

165 STEVE LANNING, Oregon AFL CIO: Testifies in opposition to SB 416.
(EXHIBIT C)

211 CHAIR KERANS: Asks Mr. Lanning a question in regards to the
suggestion of a formula for PACs to be able to contribute more than the
\$250 delineated in the bill.

217 LANNING: Responds to Chair Kerans' question and suggests another

method by which PACs could give more than individuals because there are more people involved in the PAC.

226 CHAIR KERANS: "There being more AFL per capita members than there are mortgage bankers?"

228 LANNING: Responds to Chair Kerans' question. Continues testimony in regards to SB 416.

242 CHAIR KERANS: Comments that "at some point we've got to recognize that our PACs are as much of a problem as their PACs...if we are ever going to get at the root of this problem." Continues discussion with Mr. Lanning on different aspects of SB 416.

265 JOEL ARIO, Executive Director, Oregon State Public Interest Research Group (OSPIRG): Testifies in support of SB 416. Comments on areas that OSPIRG believes SB 416 could be improved.

293 CHAIR KERANS: Asks if the \$100 contribution limits OSPIRG suggests would be applied to all categories, such as those in the voluntary limits and those not in the voluntary limits.

296 ARIO: Continues discussion, with Chair Kerans, in regards to the contribution limits.

317 SEN. BRYANT: Asks, Mr. Ario, if OSPIRG would suggest banning contributions from labor unions, "and all other types of public associations."

320 ARIO: Responds to Sen. Bryant's question and explains that they would allow members of corporations and labor unions to form political committees and make contributions.

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324 SEN. BRYANT: Asks if they would allow corporations or labor unions to deduct money from paychecks to the political committee through a checkoff system.

329 ARIO: Responds by explaining he believes they would be inclined to continue that practice. Discusses individual contributions versus contributions by organizations. Continues to discuss suggestions for SB 416 .

365 CHAIR KERANS: Discusses the spending limits in SB 416 versus SB 143.

370 ARIO: Discusses spending limits, public financing, tax credits, the Secretary of State's suggestion in regards to the voters' pamphlet, and more frequent C&E reports with Chair Kerans.

474 CHAIR KERANS: Asks counsel if SB 416 includes "if you're unopposed in the general (election) there is some kind of an opt out process for people do we? In other words a person could go through the 25/75 match and get all this money and spend a bundle on an unopposed race."

481 TALBOTT: "Correct." Explains SB 700 has a "variation of that."

489 CHAIR KERANS: "What would you think about doing some kind of a thing where you would get a truncated amount of money and then you'd come to a stop and you could only get so much money to run an unopposed general election, as opposed to going to the max?"

TAPE 29, SIDE A

035 ARIO: Responds to Chair Kerans. Continues discussion of public financing, with Chair Kerans.

052 CHAIR KERANS: Discusses, with Mr. Ario, OSPIRG's suggestion in regards to labor unions and corporations forming PACs for contribution purposes and the limitations placed upon those PACs.

088 PETER GRUNDFOSSEN, Association of Oregon Housing Authorities: Testifies in support of SB 416. (EXHIBIT 1)

106 CHAIR KERANS: Discusses Mr. Grundfossen's testimony.

WORK SESSION ON SB 416

132 TALBOTT: Refers to the Preliminary Staff Measure Summary. Begins discussion of the SB 416-1 amendment. (EXHIBITS D and H) 143 CHAIR KERANS: Discusses the preliminary fiscal analysis. (EXHIBIT G)

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147 TALBOTT: Comments that the Secretary of State's office is working on a fiscal analysis based on the additional contribution and expenditure reports. Discusses that the Department of Revenue will be testifying on 3/25/93 and asks if the committee has any questions she could transmit to them. (EXHIBIT G)

161 CHAIR KERANS: "How out of a 1,200,000 tax returns or whatever there are only 3,500 people would contribute?" (EXHIBIT G)

166 TALBOTT: Explains that the Department of Revenue provided that information to Ms. Shirac of Legislative Fiscal. (EXHIBIT G)

168 CHAIR KERANS: Asks to go to the SB 416-1 amendments. Refers to the Campaign Finance Reform and Pass Through Charts. (EXHIBITS E and F)

172 TALBOTT: Comments that the pass through chart is prepared on the bill as printed. "The dash one amendments do the same thing as section 2 of the bill as printed." Comments that the change are for "ease of reading" and there is no substantive difference. Discusses the pass through language comparisons with other bills. (EXHIBITS F and H) CHAIR KERANS: Discusses Section 2 in regards to its linguistics, and what the section does, in regards to pass through prohibitions. 320 TALBOTT:

Discusses definitional issues and suggests that the committee might want to review the definitions of certain terms for policy reasons. Comments on Rep. Steins's bills that deal with the voters' pamphlet. HB 3305 and HB 3306. 227 CHAIR KERANS: Discusses Representative Stein's bills. Discusses asking Representative Stein to testify in committee in regards to the concepts in those bills. Discusses proposals of how the committee should proceed on SB 416, and he asks for a decision matrix for the purposes of making decisions on elements of SB 416. 324 CHAIR KERANS:

Adjourns the meeting at 4:13 p.m. Submitted by:
Reviewed by:

Tamara Brickman
Counsel

Annette Talbott Assistant

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EXHIBIT LOG

A - Testimony on SB 416 - Todd Jones for Secretary Phil Keisling - 2 pages
B - Testimony on SB 416 - Derick Cogle - 2 pages
C - Testimony on SB 416 - Steve Lanning - 3 pages
D - Preliminary Staff Measure Summary - Committee Staff - 2 pages
E - Campaign Finance Reform Table - Committee Staff - 2 pages
F - Pass Through Chart on SB 416 - Committee Staff-1 page
G - Fiscal Analysis of SB 416 - Committee Staff-2 pages
H - SB 416-1 amendments dated 3/16/93 - Committee Staff - 2 pages
I- Testimony on SB 416 - Peter Grundfossen- 1 page

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