

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

January 25, 1991 Hearing Room E 8:30 a.m. Tapes 11 - 12 MEMBERS
PRESENT: Rep. Bill Markham, Chair Rep. Larry Sowa, Vice-Chair Rep.
Marie Bell Rep. Mary Alice Ford Rep. Tom Novick Rep. Carolyn Oakley Rep.
Lonnie Roberts MEMBER EXCUSED: None VISITING MEMBER: Rep. William
Dwyer STAFF PRESENT: Randall Jones, Committee Administrator Carolyn
Cobb, Committee Assistant MEASURES CONSIDERED: HB 2043 - Sets
Advertising Requirements for Public Contracts, PH, WS HB 22S7 - Authority
to Manage, Acquire and Dispose of State Owned Real Property, PH, WS HB
2462 - Payment of Per Diem and Travel Expenses to Non Legislative
Members of Explanatory Statement Committees, PH HB 2464 - Exempts
Precinct Committee persons from Certain Reporting Requirements, PH, WS HB
2465 - Disclosure of Amount Paid Person for Obtaining Signatures, PH HB
2469 - Certifying and Filing of Financial Estimate for State Measure, PH
HJR C - Requires Resignation of State Office Holder Upon Candidacy for
Another State Office, PH

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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 11, SIDE A

003 VICE CHAIR SOWA: Calls the meeting to order at 8:35 a.m. House
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HB 2462 - PAYMENT OF PER DIEM AND TRAVEL EXPENSES TO NON-LEGISLATIVE
MEMBERS OF EXPLANATORY STATEMENT COMMITTEES - PUBLIC HEARING Witnesses:
Bill Dwyer, State Representative Jack Graham, Director, Elections
Division

012 BILL DWYER, STATE REPRESENTATIVE: HB 2462 is a measure that
creates equity in treating different classes of people appointed to
committees the same. When explanatory committees are formed, those
members appointed by the Speaker or President of the Senate or the
Secretary of State receive no compensation, while members from the
legislature get paid. People travel from all over the state to serve and
they get nothing. This still doesn't give parity, since it allows only a
maximum of \$30 per day. 040 REP. BELL: Do we have a financial impact
statement? 043 REP. DWYER: No, but I would not expect it to be a
tremendous amount. 046 REP. ROBERTS: This allows up to a maximum \$30
per diem, but people don't have to accept it. 051 REP. DWYER: It
allows them to recover actual expenses.

063 REP. NOVICK: Often individuals who are appointed may work for
someone who is affected, and may be paid by those interests. My hope is
we don't see those already being paid try to get the \$30.

074 REP. OAKLEY: Are there any circumstances where a person could get
more than \$30?

076 REP. DWYER: Only if they served more than one day.

100 JACK GRAHAM, DIRECTOR, ELECTIONS DIVISION: It has become
increasingly difficult to find people willing to serve. This measure
would make it easier to get qualified people to serve. The costs would
vary according to how many of these measures we have and how many public

members are appointed to the committees. A cost figure taken from the last election would be, for ten measures, five members from general public, and two meetings, in the area of \$3,000.

HB 2462 - PAYMENT OF PER DIEM AND TRAVEL EXPENSES TO NON-LEGISLATIVE MEMBERS OF EXPLANATORY STATEMENT COMMITTEES - WORK SESSION

137 MOTION: REP. ROBERTS moved that HB 2462 be referred to the floor with a "do pass" recommendation, and that the subsequent referral to Ways and Means be rescinded. VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Novick, Rep. Oakley, Rep. Roberts, Rep. Sowa, and Chair Markham voting AYE.

HB 2464 - EXEMPTS PRECINCT COMMITTEEPERSONS FROM CERTAIN REPORTING

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REQUIREMENTS - PUBLIC HEARING Witnesses: Bill Dwyer, State Representative Jack Graham, Director, Elections Division Vicki Ervin, Oregon Association of County Clerks

195 BILL DWYER, STATE REPRESENTATIVE: Because of a mistake that was made in the 65th Legislative Session, present law requires precinct committee members to file a lot of material of doubtful worth. This measure makes the law as the last session intended, and is simply a housekeeping measure.

221 JACK GRAHAM, DIRECTOR, ELECTIONS DIVISION: There was an omission in the language enacted last session. There is substantial impact on clerks who have to handle the filing material. Very few precinct committeeman candidates spend more than \$500 limit. We support the measure. 242 REP. NOVICK: Was this in effect during the last election cycle?

249 GRAHAM: Yes, and we attempted to correct it administratively, but to do it correctly, we need to have this change made.

257 REP. BELL: They would still would sign a certificate that they are going to spend less than \$500?

259 GRAHAM: We had not done it previously, so we did not enforce this requirement during the last election cycle.

305 VICKI ERVIN, DIRECTOR OF ELECTIONS, MULTNOMAH COUNTY; CHAIR, LEGISLATIVE COMMITTEE OF THE OREGON ASSOCIATION OF COUNTY CLERKS: Our association does support HB 2464 in its present form.

HB 2464 - EXEMPTS PRECINCT COMMITTEEPERSONS FROM CERTAIN REPORTING REQUIREMENTS - WORK SESSION

398 MOTION: REP. FORD moved HB 2464 to the floor with a "do passe recommendation. VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Novick, Rep. Oaldehy, Rep. Roberts, Rep. Sowa, and Chair Markham voting AYE.

HB 2465 - DISCLOSURE OF AMOUNT PAID PERSON FOR OBTAINING SIGNATURES - PUBLIC HEARING Witnesses: Bill Dwyer, State Representative Jack Graham,

Director, Elections Division Mary Botkin, AFSCME David Buchanan,
Director, Oregon Common Cause

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350 BILL DWYER, STATE REPRESENTATIVE: A judge has ruled that paid
petitioners come under to protection of free speech so it cannot be
limited. Monied interests can put anything they want on the ballot. The
initiative and referendum processes have been corrupted by this. We at
least ought to require a statement that these people are being paid and
who is paying, to assist the public in making a decision whether to
sign.

399 REP. NOVICK: How do we deal with variable amounts being paid to
petitioners?

407 REP. DWYER: Not sure, but who is paying and the fact they are being
paid is the most important criteria.

TAPE 12, SIDE A

010 REP. NOVICK: Should there be a differentiation between those paid
on a per signature basis and those paid staff people of the organization
promoting the measure?

020 REP. DWYER: The bill says if persons are being paid, the statement
shall list the amount and the name of the person paying. I don't want to
stop people from being paid, I just want the public to know who is
paying.

046 REP. ROBERTS: In California, initiating measures by petitions has
become a big business.

053 REP. BELL: I believe there is a precedent, since others associated
with a campaign are on the C & E. So there is already disclosure of how
people are making on a campaign.

058 REP. ROBERTS: I have no problem with requiring disclosure you are
being paid, but I am not sure disclosing how much is being paid should
be required.

072 REP. DWYER: That is not a fatal flaw.

077 REP. FORD: Take out the amount of money they are being paid and
just name the employer.

092 REP. NOVICK: I would like the group paying for the signatures be
required to use a name that more accurately identifies them.

117 JACK GRAHAM, DIRECTOR, ELECTIONS DIVISION: During this last
election cycle there was a tremendous amount of public interest about
petition circulators. There is a lot of concern about who is financing
the potential legislation placed in front of the public.

137 REP. NOVICK: It is possible to collect signatures and not file a C
& E if they haven't formed a political action committee.

138 GRAHAM: Yes, that is correct, but they do have to file an intent.

146 REP. SOWA: If we are going to enact new standards, would it be advisable to exempt - House Committee on State and Federal Affairs
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petitions that are already in progress before this law takes effect?

148 GRAHAM: That would be an excellent suggestion. We have encountered similar circumstances where it cost \$10,000 in court costs even though we were upheld.

170 MARY BOTKIN, AFSCME: HB 2465 is very important in closing loopholes in part of the financial disclosure law. As long as we have paid petitioners, the public should know the person is being paid. There is a difference in petitioners who believe in a cause versus those who are just being paid to do it. 193 REP. OAKLEY: Would you ever allow paid staff from your organization to collect signatures on company time?
199 BOTKIN: Probably not, because they wouldn't have time to do it in addition to their regular duties. 208 DAVID BUCHANEN, DIRECTOR, OREGON COMMON CAUSE: The Oregon Common Cause position is that money should not be paid to gather signatures for initiatives. But since that activity is protected by the First Amendment, the best alternative is the disclosure required by the bill.

HB 2469 - REQUIRES SECRETARY OF STATE TO CERTIFY AND FILE FINANCIAL STATEMENT PUBLIC HEARING Witnesses: Bill Dwyer, State Representative Jack Graham, Director, Elections Division Mary Botkin, AFSCME David Buchanen, Director, Oregon Common Cause

248 REP. BILL DWYER, STATE REPRESENTATIVE: This bill emanates from a court case that almost caused a tremendous amount of chaos. If people do their statutory duties and then a public official makes a mistake or misses a deadline, it should never negate what the citizens have done. The bill needs to be worked on and I have no objection to changes that meet the needs of agencies.

278 JACK GRAHAM, DIRECTOR, ELECTIONS DIVISION: I largely agree with what has been proposed. We would like to work with Rep. Dwyer on this. On Explanatory Statement Committees, there is an opportunity for public comment, those comments are then used by the committee to revise their statement if they see fit. There is no provision for public input in the drafting of a financial impact statement and that is a significant problem.

320 MARY BOTKIN, AFSCME: We don't think the public should vote on issues they don't understand and when they don't know the cost. Measure 5 voters voted without understanding what the impact would be. The changes in Sec. 2 can plug that loophole. I am concerned about Sub. Sec. 4 which allows a vote even if they don't have the information, but I think Sec. 2 overrides.

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386 DAVID BUCHANEN, DIRECTOR, OREGON COMMON CAUSE: In the initiative process, two contending sides dealing pro and con, start looking for advantages and disadvantages using technicalities. An administrative act should not be used to advantage or disadvantage one side or the other. This bill helps to clarify the process.

TAPE 11, SIDE B

HJR 6 - REQUIRES PERSON HOLD LUCRATIVE OFFICE TO RESIGN UPON DECLARATION OF CANDIDACY - PUBLIC HEARING Witness: William Dwyer, State Representative

018 BILL DWYER, STATE REPRESENTATIVE: This measure would prevent people from using lucrative offices to further their political ambitions. Candidates for a four year term office should make a commitment to the people of Oregon to remain office for the full term. Frequently the offices are used to promote the politician's name before the public, while campaigning on the public dole. This demeans the whole process and helps foster the diminished view the public has of government.

052 REP. NOVICK: Please define "lucrative office".

055 REP. DWYER: If you have a salary, that is lucrative. Volunteers are not lucrative. City Councilmen who serve as volunteers are not included.

063 REP. ROBERTS: Elective offices should not be filled by appointment. If an office vacancy occurred, and a house member wanted to run in a special election, they would have to resign in mid-term to run.

079 REP. DWYER: Those that have to run every two years would not be affected, since the only time a special election is called to fill a vacancy is if there is more than two years left in the unexpired term.

083 REP. SOWA: When does an office holder have to resign, is it upon the date of filing?

092 REP. DWYER: Upon ninety days.

098 REP. FORD: What is the difference between the two year office holders and others holding longer terms?

106 REP. DWYER: The difference is you are abusing the public trust because the public elects you to a four year office expecting you will fulfill that four year commitment. The process itself induces office holders to run to increase name familiarity whether they expect to win or not. Others are attempting to expand their base beyond their home districts.

124 REP. FORD: The only people I have heard complain are other politicians, not the voting public. . . Howe Committee on State and Federal Affairs January 25, 1991- Page 7

133 REP. NOVICK: If a house member decided to see a paid county commissioner position in the off year, would not they be affected?

136 REP. DWYER: Yes, that is exactly right.

141 REP. BELL: Would this measure be more acceptable if it required a leave of absence without pay? Would this measure prevent the best candidate from being available to run.

154 REP. DWYER: You have to have courage in this process. The reason for this bill is to prevent people from furthering their political careers at the public's expense.

201 VICE CHAIR SOWA: Recess the meeting at 9:53 a.m.

-Re-convenes the meeting at 10:00 a.m.

HB 2043 - SETS ADVERTISING REQUIREMENTS FOR PUBLIC CONTRACTS - PUBLIC HEARING Witnesses: Sandra Burt, Administrator, Purchasing Division, Department of General Services Kim Mingo, Associated General Contractors Joe Speight, Oregon Highway Division

212 RANDALL JONES, COMMITTEE ADMINISTRATOR: reviews the question of how the bill affects federal contracts.

245 SANDRA BURT, ADMINISTRATOR, PURCHASING DIVISION, DEPARTMENT OF GENERAL SERVICES: After checking with the Attorney General's office and counsel, the Highway Division and the Department of General Services are in agreement that this bill will not adversely affect the Department of Transportation's ability to let federally funded projects. 253 REP. ROBERTS: Why do you have an emergency clause on the bill?

258 BURT: At the request of Associated General Contractors.

263 KIM MINGO, ASSOCIATED GENERAL CONTRACTORS: The emergency clause is needed because public agencies are going through some confusion as to whether the requirements of ORS 701 regarding the necessity of contractors being required to be registered prior to bidding on contracts.

292 JOE SPEIGHT, OREGON HIGHWAY DIVISION: The Highway Division and our legal counsel believe that the provisions of ORS 279.056 apply and we would not have to advertise this on federally aided projects.

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HB 2043 - SETS ADVERTISING REQUIREMENTS FOR PUBLIC CONTRACTS - WORK SESSION 315 MOTION: REP. ROBERTS moved HB 2043 as amended to floor with a "do pass" recommendation.

VOTE: In a roll call vote, the motion carried, with Rep. Bell, Rep. Ford, Rep. Novick, Rep. Oakley, Rep. Roberts, Rep. Sowa, and Chair Markham voting AYE.

TAPE 12, SIDE B

HB 2257 - AUTHORITY TO MANAGE, ACQUIRE AND DISPOSE OF STATE-OWNED REAL PROPERTY - PUBLIC HEARING Witnesses: Tom Cowan, Department of Veterans Affairs Maynard Hammer, Administrator, Facilities Division, Department of General Services Bill Nickleberry, Lands Manager, Department of General Services

009 JONES: reviews hand engrossed bill (EXHIBIT A). 020 REP. SOWA: This bill deletes a lot of the previous language in the law that has to do with public lands transactions and sets up a new policy which is very close to the original policy except it will now include exchanges and leases. Legislative Counsel will draft some language for the state agencies that are exempted under Sec. 6 to make sure they are not completely free to make their own decisions. If they dispose of state real property they have to include other values which normally may not be contemplated. If property is valued at over \$100,000 they must invite public comment on the value.

042 TOM COWAN, DEPARTMENT OF VETERANS AFFAIRS: Statute as proposed does not include all the statute we use for managing state-owned properties. Changes we would like made have been submitted to the Committee Administrator.

052 REP. SOWA: The language on line 6, of the HB 2257-1 amendments attempts to take care of the Department of Veterans Affairs concerns.

088 MAYNARD HAMMER, ADMINISTRATOR, FACILITIES DIVISION, DEPARTMENT OF GENERAL SERVICES: Submits and summarizes revised written testimony (EXHIBIT B). 234BILL NICKLEBERRY, LANDS MANAGER, DEPARTMENT OF GENERAL SERVICES: Sec 7, page 3, line 32 describes how we will advertise in the newspaper. 253 REP. REP. OAKLEY: Is there no minimum bid?

255 HAMMER: We would normally set the minimum bid at no less than the fair market value. -Public Lands Advisory Committee and their duties under the bill described.

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-Describes Public Lands Advisory Committee's participation in the drafting of the bill.

HB 2257 - AUTHORITY TO MANAGE, ACQUIRE AND DISPOSE OF STATE-OWNED REAL PROPERTY - WORK SESSION

369 MOTION: REP. ROBERTS moved to adopt the dash one LC amendments dated 1/24/91 to HB 2257 (EXHIBIT C).

388 HAMMER: There is a mistake in amendments, they have neglected to include a new Section 21 that we are adding by these amendments.

395 MOTION: REP. ROBERTS moved to adopt the dash one LC amendments dated 1/24/91 to HB 2257 (EXHIBIT C) with the addition of the words "On page 1, line 8, delete "7 and 9 to 11" and insert "7 and 9 to 11 and 21", by which motion his previous motion was effectively withdrawn.

415 REP. SOWA: Hearing no objections, the amendments are adopted.

419 MOTION: REP. ROBERTS moved hand-engrossed HB 2257 to the floor with a "do pass" recommendation. VOTE: In a roll call vote, the motion carried, with Rep. Ford, Rep. Novick, Rep. Oakley, Rep. Roberts, Rep. Sowa, and Chair Markham voting AYE, and Rep. Bell excused.

Submitted by: Reviewed by: Carolyn Cobb Randall Jones
Assistant Administrator

EXHIBIT LOG:

A - Hand-engrossed HB 2257 - Randall Jones - 9 pages B - Testimony on HB 2257 - Maynard Hammer - 2 pages C - Amendments to HB 2257 - Randall Jones - 1 page

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