

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

April 22, 1991                      Hearing Room "B" 3:00 p.m.                      Tapes 71- 72  
MEMBERS PRESENT: Sen. Glenn Otto, Chair Sen. Jane Cease, Vice-Chair  
Sen. Ron Grensky Sen. Tricia Smith Sen. Dick Springer MEMBERS  
EXCUSED: Sen. Jim Bunn Sen. John Kitzhaber STAFF PRESENT: Gail  
Ryder, Senior Committee Administrator Joan Green, Committee Assistant  
MEASURES CONSIDERED:     SB 845 - Relating to lobby registration;  
declaring an emergency, PH/WS SB 908 - Relating to the Legislative  
Assembly, PH/VVS SB 1151- Relating to legislative officials, PH/WS HB  
2170 - Relating to statements of economic interest, PH/WS HB 2171-  
Relating to statements of economic interest, PH/WS

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 71, SIDE A

008 CHAIR OTTO: Called the meeting to order at 3:15 p.m., as a  
subcommittee.

(TAPE 71, SIDE A) PUBLIC HEARING SB 845 RELATING TO LOBBY REGISTRATION;  
DECLARING AN EMERGENCY

Witnesses: Denise McPhail, Capitol Club Bob Oleson, Oregon State Bar  
Patrick Hearn, Oregon Government Ethics Commission, Executive Director

015 DENISE MCPHAIL, CAPITOL CLUB: Discusses written testimony, Exhibit  
A.

057 BOB OLESON, OREGON STATE BAR: The Bar's law improvement group,  
which depends heavily on volunteer lawyers, is the program most affected  
by this situation. The Bar is supportive of SB 845. 065 SMITH: What  
is the time limit that is set forth in ORS 171.735? Senate Government  
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068 MCPHAIL: We need to file quarterly.     It is 16 hours or \$50, if  
you spend that you do have to register and report.

069 SMITH: Sixteen hours per quarter?

070 MCPHAIL: Yes.

074 PATRICK HEARN, OREGON GOVERNMENT ETHICS COMMISSION, EXECUTIVE  
DIRECTOR: The Oregon Government Ethics Commission (OGEC) supports SB  
845, from the context that the OGEC does not believe registered  
lobbyists must give up their rights as citizen to participate in  
government. A registered lobbyist should be able to do legislative  
advocacy on bills that affect their personal lives or are of concern to  
them, as a citizen. Currently they would have to register on behalf of  
those causes and/or groups. The OGEC feels as long as the other  
requirements of law are held intact, lobbyists should be able to  
practice their first amendment rights.

WORK SESSION

091 MOTION: SEN. CEASE MOVED SB 845 TO THE FLOOR WITH A DO PASS  
RECOMMENDATION. 094 SPRINGER: Declares a potential conflict, my

spouse is a registered lobbyist. 096 VOTE: MOTION CARRIED, 5-0.  
(EXCUSED: SEN. BUNN, SEN. KITZHABER). SEN. CEASE WILL LEAD THE FLOOR  
DISCUSSION.

(TAPE 71, SIDE A) PUBLIC HEARING SB 908 RELATING TO THE LEGISLATIVE  
ASSEMBLY Witnesses: Jane Cease, Oregon State Senator, District 10

104 JANE CEASE, OREGON STATE SENATOR, DISTRICT 10: Last summer I was  
approached and asked to introduce this bill. The person had been to  
another state and heard this was a better way to operate a legislature.  
The legislature was not full time, but every month there were a certain  
number of days of session. I don't see any great pressure to change the  
way we operate, but I do feel it is good to have these ideas aired, so I  
introduced the bill.

121 GRENSKY: How would this work, do you envision bill introductions  
or something other than interim committee reports?

123 CEASE: If you were going to make a major change, such as this,  
somebody would need to work out the different ways you would want to do  
that.

127 GRENSKY: I am not sure how it would work. If you introduced bills  
during two days,

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where would they go from there?

130 CEASE: Reads Ins. 6-8 of the printed bill. You could have the same  
kind of session we currently have, or shorter, with more introduction,  
but continue to work on bills on the one day a month basis. You would  
not decrease the initial session of time where you would work on  
budgets, etc. I think if there were any will to go forward with a system  
like this, you could work out how you would want to that.

149 OTTO: I am neither opposed or in favor of the bill. Suppose session  
were to adjourn on the last day of the month and the first day of  
following month is a Monday. We would sine die and then go into session,  
right?

157 CEASE: I think you want a determination, in the first block of  
time, as to when you would end and when you would start again.

169 RYDER: Distributes a fiscal impact statement for the record,  
Exhibit B.

175 SMITH: I am surprised the bill hasn't received more reaction.

179 CEASE: I did not spend a lot of time on this. I wanted to flag it  
for peoples attention.

WORK SESSION

185 CEASE: I would say let it lie or table it.

186 SMITH: Do you want to send it anywhere?

188 CEASE: I believe if it came out to the floor it would go down, however if you want to send it to the floor that is fine with me.

192 OTTO: We will put it on the Out of Sight Out of Mind (OOSOOM) file.

(TAPE 71, SIDE A) PUBLIC HEARING SB 1151 RELATING TO LEGISLATIVE OFFICIALS Witnesses: Grattan Kerans, Oregon State Senator, District 20

196 GRATTAN KERANS, OREGON STATE SENATOR, DISTRICT 20: Discusses written testimony, Exhibit C.

325 SMITH: How would this bill affect campaign contributions of a legislator seeking reelection?

329 KERANS: This bill would not. You would still be able to accept political action committee (PAC) or individual contributions from lobbyists and the people they represent, and report those on the contribution and expenditure (C&E) report. SB 1150 addresses that matter.

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359 GRENSKY: Does the public mind distinguish between the possibility of influence peddling through trips, wining and dining versus giving thousands of dollars to someone's campaign chest? Apparently you see a distinction, but I don't.

367 KERANS: No I don't see a distinction, I think that is the larger of the problem and why I introduced SB 1150.

387 CEASE: Do we have a previous record defining anything of value?

394 KERANS: We have an entire body of case law regarding what that is in the Oregon Government Ethics Commission (OGEC). It is also understood, having been imported into this statute from the elections statutes, where we define things of value. It is something that has an intrinsic value in and of itself.

405 CEASE: So matchbooks, pens, emery boards, meals, etc. Would I still be allowed to entertain a lobbyist in my home?

419 KERANS: You may entertain any lobbyist you wish at your own expense.

420 CEASE: I can't go to a lobbyist home and have a meal?

424 KERANS: Correct.

425 SMITH: Sen. Springer's wife is a registered lobbyist, can't he eat with her?

436 KERANS: I did not consider that possibility. If the committee finds favor with the bill, I would suggest an amendment to consider the marital relationship.

463 CEASE: I would be interested in exploring the direction of the bill further and looking at amendments to address the marital issue.

477 SMITH: The Preliminary Staff Measure Summary, Exhibit D, interprets the bill to include campaign contributions.

TAPE 72, SIDE A

028 KERANS: I have no objection to that interpretation. That is my explicit interest in SB 1150. I did not take that interpretation here, by virtue of the fact that is not something given to a legislative official. That is a contribution to the PAC of a legislative candidate. They are two different entities. 033 SMITH: At what point does a legislator, who is seeking reelection, stop being a legislator and become a candidate? 035 KERANS: You are both entities at the same time, but you have different transactions with people. If a lobbyist invites you to dinner to discuss the work of your interim committee and you buy your own dinner that is fine. After the meal, while walking to the parking lot, the lobbyist says that his PAC voted to give you a thousand dollars. My interpretation is that Senate Government Operations April 22, 1991 Page 5

you, as a candidate, could accept that contribution to your campaign, as a candidate. If we determine that is true you won't hear me complain about it.

049 CEASE: Under this bill, as worded, if after a late committee hearing at the Capitol I found my car had broke down, could I accept a ride home from a lobbyist or would I be accepting something of value?

053 KERANS: Not in my opinion, it is almost impossible to contribute value to that.

058 CEASE: Does this include persons who lobby for public entities, who are required to register?

062 KERANS: Yes.

062 CEASE: I would not be able to go the League of Oregon Cities and the Association of Oregon Counties reception tonight unless I paid for all food and drink, if this were in effect?

065 KERANS: You could go, as long as you did not consume anything. Should we enact such a bill I am sure a per person value would be placed on such functions, if you wished to participate.

072 CEASE: I am trying to get an idea of the breadth.

073 KERANS: It is as broad as you say.

074 OTTO: I interpret the bill to read you could not accept gifts from the lobby, or PAC's that are headed by the lobby group.

078 KERANS: I would advise that Legislative Counsel be asked to give a definitive answer on that opinion. That was not my understanding or intention when I asked the bill to be drafted. This addresses the chapter of law which is under the administration of the OGEC and deals with the legislator/lobbyist relationship. The question of the PAC contributions to a political campaign, under the administration of the

Secretary of State, is a separate transaction, in my mind.

097 CEASE: Because it is not made to you the legislator, it is made to a committee.

099 KERANS: In my example where I go out the door of the restaurant, having paid for my dinner, I believe a check to the reelect "Grattan Kerans" could be accepted, on my part, for deposit to my account without violating what is included here. It needs to be nailed down.

108 OTIO: I think that defeats the purpose of everything you have said, it is just a way to get around it.

115 KERANS: Requests a written opinion be obtained from Legislative Counsel defining that. I have no objection if it is interpreted to mean that.

121 OTTO: You would have no objection if we were to do away with campaign contributions Senate Government Operations April 22, 1991 Page 6 from PAC's?

123 KERANS: No, in fact SB 1150 deals with that issue.

132 SPRINGER: I have introduced a bill similar to SB 1150.

133 OTTO: I think yours went much further.

134 SPRINGER: It would eliminate contributions from lobbyists, period.

141 OTTO: Sen. Springer when would you like to work on your bill?

142 SPRINGER: Could it be brought back with SB 1150 next week?

144 RYDER: Which committee is it in?

143 OTTO: I think it is in Government Operations.

144 RYDER: I will research that.

(TAPE 72, SIDE A) PUBLIC HEARING HB 2170 RELATING TO STATEMENTS OF ECONOMIC INTEREST

Witnesses: Pat Hearn, Oregon Government Ethics Commission, Executive Director

143 PAT HEARN, OREGON GOVERNMENT ETHICS COMMISSION, EXECUTIVE DIRECTOR: Discusses written testimony, Exhibit E. The Oregon Government Ethics Commission (OGEC) does not oppose the amended bill.

WORK SESSION 201 MOTION: SEN. CEASE MOVED HB 2170-A TO THE FLOOR WITH A DO PASS RECOMMENDATION.

206 VOTE: MOTION CARRIED, 4 0. (EXCUSED: SEN. BUNN, SEN. GRENSKY, SEN. KITZHABER). CHAIR OTTO WILL LEAD THE FLOOR DISCUSSION.

(TAPE 71, SIDE A) PUBLIC HEARING HB 2171 RELATING TO STATEMENTS OF ECONOMIC INTEREST

Witnesses: Pat Hearn, Oregon Government Ethics Commission, Executive Director Senate Government Operations April 22, 1991 Page 7

217 PAT HEARN, OREGON GOVERNMENT ETHICS COMMISSION, EXECUTIVE DIRECTOR:  
Discusses written testimony, Exhibit F.

Entered for the record revised testimony from Patrick Hearn, Oregon  
Government Etbics Commission, Executive Director, dated 04/26/91, dated  
04/26/91, Exhibit G.

WORK SESSION

249 MOTION: SEN. SMITH MOVED SB 2171 TO THE FLOOR WITH A DO PASS  
RECOMMENDATION. 253 VOTE: MOTION CARRIED, 4 0. (EXCUSED: SEN. BUNN,  
SEN. GRENSKY, SEN. KITZHABER). SEN. CEASE WILL LEAD THE FLOOR  
DISCUSSION.

262 Meeting adjourned at 4:04 p.m.

Submitted By:

Reviewed By:

Joan Green  
Hamilton Assistant  
Assistant

Jayne

EXHIBIT LOG

A - Written testimony, McPhail, 11 pas. B - Fiscal analysis, Staff, 1  
pg. C - Written testimony, Kerans, 4 pas. D - Preliminary staff measure  
summary, Staff, 1 pg. E - Written testimony, Hearn, 1 pg. F - Written  
testimony, Hearn, 1 pg. G - Revised testimony, Hearn, 3 pas.