

Senate Committee on Rules
June 11, 1991 - Page

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.

SENATE COMMITTEE ON
RULES

June 11, 1991Hearing Room 454
3:15 p.m. Tape 22 - 23
Salem, Oregon

MEMBERS PRESENT:Sen. Frank Roberts, Chair
Sen. Bill Bradbury, Vice-Chair
Sen. John Brenneman
Sen. Jane Cease
Sen. Joyce Cohen
Sen. Joan Dukes
Sen. Lenn Hannon

VISITING MEMBER:Sen. Grattan Kerans
Rep. Fred Parkinson

STAFF PRESENT: Jose Mata, Committee Administrator
Mary Walling, Committee Assistant

MEASURES
CONSIDERED: SB 1218 - Relating to State Treasurer and
Members of Investment Council
HCR6 - Honors World War II U.S. Merchant
Marines
HCR8 - Memoriam: Donald "Don" Burlingham

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TAPE 22, SIDE A

007 CHAIR ROBERTS: Calls the meeting to order at 3:15 p.m.

(Tape 22, Side A)
HCR6 - HONORS WORLD WAR II U.S. MERCHANT MARINES, PUBLIC HEARING AND
WORK SESSION

MOTION: Sen. Hannon moves HCR6 be adopted.

VOTE: Hearing no objection, HCR6 is adopted. Sen. Dukes, Cease, and Cohen absent.

(Tape 22, Side A)
HCR8 - MEMORIAM: DONALD "DON" BURLINGHAM, PUBLIC HEARING AND WORK SESSION

MOTION: Sen. Hannon moves HCR8 be adopted.

VOTE: Hearing no objection, HCR8 is adopted. Sen. Cohen absent.

(Tape 22, Side A)
SB 1218 - RELATING TO STATE TREASURER AND MEMBERS OF INVESTMENT COUNCIL, PUBLIC HEARING AND WORK SESSION

Witnesses: Sen. Grattan Kerans, Senate District 20
Mike Ryan, State Treasurer's Office

038 GRETAN KERANS, SENATE DISTRICT 20: Testifies in support of SB 1218 and explains SB 1218-2 amendments (EXHIBIT A).

>SB 1218 as printed says that a person who has been the State Treasurer or a member of the Investment Council cannot within one year after they leave public office hold a position in which they are engaged in doing business with persons who they dealt with in their official capacity.

>The -2 amendments make other public officials in the Office of State Treasurer and the Investment Council also subject to the Oregon Government Ethics Commission economic interest statement. The persons listed in the -2 amendments are not presently subject to the economic interest statement filing.

060 CHAIR ROBERTS: What is the reason for including these public officials?

SEN. KERANS: Feels it would be prudent to provide these people with the shield of disclosure by virtue of the fact that without such a disclosure there is no way other than through an investigation to question whether they have any relationship with anyone who does business with the Treasurer's Office.

>This economic interest disclosure is to provide them a shield to any charge of self interest.

085 JOSE MATTA, COMMITTEE ADMINISTRATOR: Sections 3, 4, and 5 of the -2 amendments were added by Legislative Counsel. They are technical and clean up the language.

096 >Discussion followed regarding whether other public officials, such as in SAIF and Department of Transportation should be included. If state official deals in large sums of money, should he be included?

108 SEN. KERANS: Line personnel are not the people the Government Ethics

Commission
economic interest statement is directed at. Audits locate malfeasance in
office in these line
officials.

>The officials listed in the bill and amendments have funds available to
them and have the ability
to engage in transactions in their own self interest.

>For whatever oversight in the past, as a matter of prudence they should be
included now.
Someone who has control over funds of these natures has a higher
opportunity of misuse than
does the Legislative Fiscal Officer or Legislative Counsel. Yet this
filing is required of them
and not of these financial officers of the Treasurer's Office.

220 CHAIR ROBERTS: Questions meaning of the words "over which the former
public official had
authority." Great deal of difference in degrees of authority and what they
have jurisdiction over
among those officials listed.

>Discussion over what areas are affected. The official has dealings with
many people, but not
authority over in many cases.

259 SEN. COHEN: The -1 amendments (EXHIBIT B) add legislators. How can
legislator go back
and practice his profession when he has authority to make laws and regulate
his profession?

308 MIKE O. RYAN, EXECUTIVE ASSISTANT, TREASURER'S OFFICE: Testifies in
opposition to SB 1218.

>There are currently laws at federal and state level that will take care of
the situation if an
employee of the State of Oregon is operating inappropriately in
relationship to investments.

>Discussion continues regarding whether the Treasurer's Office staff and
Investment Council
are in the same category as other public officials.

TAPE 23, SIDE A

011 MOTION: Chair Roberts moves that SB 1218 be amended by deleting the
words "or a
member of the Oregon Investment Council" on line 8 of the printed bill.

VOTE: Hearing no objections, motion carried.

MOTION: Sen. Bradbury moves that the SB 1218-2 amendments be adopted.

VOTE: Hearing no objections, the SB 1218-2 amendments are adopted.

MOTION: Sen. Brenneman moves that the SB 1218-1 amendments be adopted.

VOTE: In a roll call vote the motion fails with Senators Cease, Cohen,
Dukes, Bradbury,

and Chair Roberts voting nay.

MOTION: Sen. Bradbury moves SB 1218 to the floor with a do pass as amended recommendation.

VOTE: In a roll call vote the motion passed with Senators Brenneman and Hannon voting nay.

035 SEN. HANNON: Possible minority report may be issued.

MOTION: Sen. Bradbury moves to reconsider the vote on HJR 10.

VOTE: Hearing no objection, the motion is reconsidered.

044 CHAIR ROBERTS: Adjourns meeting at 4:00 p.m.

Submitted by:

Reviewed by:

Mary Walling
Assistant

Jose Mata
Administrator

EXHIBIT LOG:

- A - Amendments to SB 1218 - G. Kerans - 5 pages
- B - Amendments to SB 1218 - J. Brenneman - 1 page