2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HJR 14 **STATUS:** B-Engrossed **MINORITY REPORT**
SUBJECT: Amending Constitution to create Government Ethics Fund to provide funding for administration of government ethics laws. Referring to the next biennial general election.
GOVERNMENT UNIT AFFECTED: Oregon Secretary of State
PREPARED BY: Adrienne Sexton
REVIEWED BY: Daron Hill
DATE: June 5, 2007

	2007-09	2009-11
EXPENDITURES:		
Elections Division		
Voters' Pamphlet - General Fund	$ 12,020	$ 0
REVENUES:		
Elections Division - General Fund	$ 1,000	$ 0

GOVERNOR'S BUDGET: This bill is not included in the Governor's budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: This measure would refer for voter approval a proposed Constitutional amendment to create the Oregon Government Ethics Fund, provide a $14.5 million General Fund appropriation, and direct that earnings on the Fund would be used for agency expenses in the investigation and enforcement of government ethics laws. The referral would be on the 2008 statewide biennial general election ballot.

The fiscal impact to the Secretary of State's office is the state's portion of incremental costs incurred for an already-funded election. The mechanism for funding the voters' pamphlets in the 2008 election cycle has not yet been determined.

Because there were no legislative referrals on the 2006 ballot, estimates of the number of pages that would be used are based on the 2004 general election ballot. Actual cost of the 212-page 2008 general voters' pamphlet ($1,235,858), adjusted for inflation was used for estimating 2007-09 costs. There were ten initiative measures on that ballot. Each referral is assumed to result in 2 additional pages in the voters' pamphlet, for a General Fund total of $12,020. The revenue estimate assumes one argument pro and con would be filed relating to the referral, at $500 per argument.

Because the total number of initiatives and legislative referrals affecting the 2008 election cycle will not be known until the respective deadlines of the primary and general elections, the cumulative impact, including this measure, cannot be determined. LFO assumes that the Secretary will seek a General Fund appropriation from the Emergency Board or the Legislative Assembly in session when the actual voters' pamphlet costs are known.

Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, LFO does not include an estimate of the fiscal impact that would result if HJR 14-B **Minority Report** were to be adopted by a vote of the people.