

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

MEASURE NUMBER: SB 700 **STATUS:** A-Engrossed
SUBJECT: Public Officials Compensation Commission recommendation of annual salaries of elective officers
GOVERNMENT UNIT AFFECTED: Department of Administrative Services, Secretary of State
PREPARED BY: Adrienne Sexton
REVIEWED BY: Dallas Weyand, Daron Hill
DATE: May 3, 2007

	<u>2007-2009</u>	<u>2009-2011</u>
EXPENDITURES: Department of Administrative Services – Other Funds See Comments.		
Secretary of State – General Fund See Comments.		

EFFECTIVE DATE: On passage.

GOVERNOR’S BUDGET: This bill is not anticipated by the Governor’s recommended 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: The measure would revise the makeup of the Public Officials Compensation Commission (POCC), increasing membership from seven to 11, including six members selected by lot by the Secretary of State. The Department of Administrative Services would assist the POCC in the commission’s work.

To frame the fiscal impact, the Legislative Fiscal Office (LFO) notes specific provisions of the measure which create issues around implementation:

- Measure is effective on passage.
 - For purposes of this review, LFO assumes passage date of June 15.
- Members of the POCC must be appointed
 - Two are subject to Senate confirmation
 - Assuming this legislative session adjourns sine die on or before June 29, will the Governor’s appointments be in place for confirmation during session? If not, when would be the first opportunity for the Senate to convene for executive appointments?
 - Six members are selected by lot from elector registration records in a process the Secretary of State must adopt by rule
 - LFO assumes the Secretary would propose a temporary rule but it is not known whether the Secretary would appoint an advisory committee or use other means to obtain public input.
 - The Secretary could determine to provide abbreviated notice.
 - Deadline for publishing notice of proposed rulemaking hearing in the July 1 *Oregon Bulletin* is June 15; the next available publication would be August 1.

- LFO assumes that during the period of time leading to the adoption of the administrative rule, the Secretary would put in place the mechanism for notifying electors of their selection and the electors' acceptance or refusal, as soon as the rule was adopted.
- Recommendations of POCC are first due to the Governor, Chief Justice of the Supreme Court, President of the Senate and Speaker of the House of Representatives by November 15, 2007.
- POCC is required to meet before September 1 of each even-numbered year, making a recommendation before October 31 for purposes of including the recommendations in the Governor's budget report.
 - This will first occur in 2008.

The Department of Administrative Services (DAS) assumes that services it provides to POCC will consist of compensation analysis, research and support in preparation of the required report. This would be fulfilled with one human resources consultant (.50 FTE) for approximately \$73,523 per biennium, and services and supplies of approximately \$18,000, for a total of \$91,523 Other Funds in 2007-09 and 2009-11. These expenditures do not include a compensation survey, if one were needed.

Expenses of the Secretary of State cannot be determined at this time, as the process for selecting the six elector members has not been defined.

The scope of this fiscal impact statement does not extend to budget implications in 2007-09 from actions that may be taken by the Legislative Assembly in a February 2008 special session based on recommendations from the POCC.