

REVENUE: No revenue impact

FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 3 - 2 - 0

Yeas: Avakian, Monnes Anderson, Brown

Nays: Ferrioli, Kruse

Exc.: 0

Prepared By: Marjorie Taylor, Administrator

Meeting Dates: 6/16, 6/19

WHAT THE MEASURE DOES: Sets 60-day deadline for Government Standards and Practices Commission (GSPC) to respond to requests for Commission advisory opinions. Prohibits penalizing public official if official acted in compliance with GSPC advisory opinion. Sets 30-day deadline for GSPC director to respond to requests for staff advisory opinions. Increases maximum civil penalty for violation of government ethics law from \$1,000 to \$5,000. Provides re-write and re-organization of GSPC procedure and rulemaking authority. Extends maximum time for preliminary review from 90 days to 135 days. Extends maximum time for investigation from 120 days to 180 days. Deletes local government exceptions to statements of economic interest filing requirement. Removes "opt-out" provision, thus requiring GSPC respondents to take issue through Administrative Procedures Act adjudication within the agency, rather than the court. Requires GSPC to make ethics manual and advisory opinions available electronically. Prohibits public official from hiring, appointing or promoting relatives unless the public official complies with conflict of interest requirements. Provides that a public body is not prohibited from hiring the relative of a public official serving in the public body. Prohibits public official from directly supervising a relative or member of the household. Provides exceptions allowing members of the Legislative Assembly to hire or supervise relatives and allowing any public official to hire or supervise a relative who is an unpaid volunteer. Changes the names of the Oregon Government Standards and Practices Commission to Oregon Government Ethics Commission. Declares emergency, effective July 1, 2007.

ISSUES DISCUSSED:

- Recommendations of the Oregon Law Commission
- Contested case proceedings
- Cost of the complaint process to all parties
- Reversal of decisions made by Administrative Law Judges

EFFECT OF COMMITTEE AMENDMENT: Prohibits public official from hiring, appointing or promoting relatives unless the public official complies with conflict of interest requirements. Provides that a public body is not prohibited from hiring the relative of a public official serving in the public body. Prohibits public official from directly supervising a relative or member of the household. Authorizes public bodies to adopt local policies allowing public officials to supervise relatives and members of the household. Changes the names of the Oregon Government Standards and Practices Commission to Oregon Government Ethics Commission. Clarifies specific notice provisions. Clarifies specific actions of the Government Standards and Practices Commission.

BACKGROUND: The 2005 Legislative Assembly funded the Oregon Law Commission to conduct a comprehensive ethics review and to prepare legislative recommendations to address lobbying, campaign finance, and funding of the administration of Oregon's government ethics laws. HB 2595B implements Oregon Law Commission's Government Ethics Work Group recommendations on GSPC organization and structure, violations, and penalties, as well as the generation and use of GSPC advisory opinions. HB 2595B also adds provisions from four other 2007 session Oregon Law Commission recommended measures: HB 2596, SB 495, SB 496, and SB 497.

HB 2595B also returns the Government Standards and Practices Commission to its original name, the Oregon Government Ethics Commission. In 1974, voters approved the creation of the Oregon Government Ethics Commission. The name was changed by the legislature in 1993.

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This summary has not been adopted or officially endorsed by action of the committee.