

**REVENUE: Revenue statement issued**

**FISCAL: May have fiscal impact, statement not yet issued**

---

<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed and Be Referred to the Committee on Ways and Means by Prior Reference
<b>Vote:</b>	4 - 1 - 0
<b>Yeas:</b>	Ferrioli, Johnson, Monnes Anderson, Brown
<b>Nays:</b>	Nelson
<b>Exc.:</b>	0
<b>Prepared By:</b>	Marjorie Taylor, Administrator
<b>Meeting Dates:</b>	1/11, 1/18, 1/25, 2/1, 2/8, 2/22, 3/21, 3/23

---

**WHAT THE MEASURE DOES:** Makes changes to government ethics laws. Establishes funding system for Government Standards and Practices Commission (GSPC). Requires quarterly filing of expenditure statements by lobbyists and directs the commission to make the statements publicly available on the Internet. Increases penalties from \$1000 to \$5000 for violations of lobbying or government ethics law. Prohibits former legislators from lobbying during the first regular session out of the Legislative Assembly and defines regular session. Sets monetary limit on gifts received by public officials from people with legislative or administrative interests. Exempts certain food, beverage, travel and lodging from the definition of gift. Exempts judges and the judicial department from gift limits. Modifies requirements for contents of statement of economic interest. Requires public officials and candidates to report specified information quarterly. Modifies reporting requirements for honoraria. Authorizes public official to establish legal expense trust fund to defray certain legal expenses upon approval of GSPC. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Funding mechanisms for GSPC including assessments and appropriations
- Limitation on future employment of legislators and others
- Which public officials the measure applies to
- Gift limits, reporting requirements and definition of gift
- Electronic reporting of information to GSPC
- Reporting expenses and payment of educational trips and fact-finding missions
- Increase in penalties for violations
- Letter of reprimand versus letter of education from GSPC
- GSPC staffing structure, training for public officials, investigation process and cost of investigation
- Provisions of the measure and amendments
- Government Ethics Work Group recommendations from the Oregon Law Commission

**EFFECT OF COMMITTEE AMENDMENT:** Establishes a funding mechanism for the Government Standards and Practices Commission. Increases reportable expenditures from \$25 to \$50. Allows certain statements to be filed electronically or not. Requires electronic filing of certain statements January 1, 2010. Allows GSPC to issue a letter of reprimand, explanation or education under certain circumstances. Allows use of campaign funds to pay legal expenses incurred related to or arising from the course and scope of duties of the public official. Defines special sessions of the Legislative Assembly in 2008 and 2010 to be regular sessions for specific purposes. Exempts specific admissions, food and beverage from the definition of gift. Exempts certain food, beverage, travel and lodging expenses under certain circumstances from the definition of gift. Defines "member of household" for the purpose of gifts. Exempts judges and the judicial department from gift limits.

**BACKGROUND:** In 1974, voters approved Measure 14 establishing statutes relating to Public Officials' Financial Ethics and Reporting. Provisions in ORS Chapter 244 and related statutes generally prohibit the use of office for financial gain; require filing of statements of economic interest; require disclosure of conflicts of interest; provide procedures for enforcement of violations; and provide sanctions for violations.

A "public official" is defined in statute (ORS 244.020 (15)) as any person who is serving the State of Oregon or any political subdivisions or any other public body of the state as an officer, employee, agent or otherwise.

"Legislative or administrative interest" (ORS 244.020(10)) is defined as an economic interest, distinct from that of the general public, in one or more bills, resolutions, regulations, proposal or other matters subject to the action or vote of a person acting in the capacity of a public official.