

House Bill 2377

Sponsored by Representative BERGER (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes membership of Public Officials Compensation Commission. Requires commission to establish salaries of specified elective officers and members of Legislative Assembly. Provides that salaries established by commission take effect unless bill is enacted that rejects salaries.

Takes effect only if constitutional revision proposed by House Joint Resolution 6 (2007) is approved by people at next primary election. Takes effect on effective date of constitutional revision proposed in House Joint Resolution 6 (2007).

A BILL FOR AN ACT

1
2 Relating to Public Officials Compensation Commission; creating new provisions; amending ORS
3 171.072, 292.313, 292.430, 292.907, 292.912, 292.917 and 292.930; repealing ORS 292.405, 292.410,
4 292.415, 292.425 and 292.920; and prescribing an effective date.

5 **Be It Enacted by the People of the State of Oregon:**

6 **SECTION 1.** ORS 292.907 is amended to read:

7 292.907. (1) There is established a Public Officials Compensation Commission consisting of
8 *[seven]* **eight** members *[of whom two are appointed by the Governor, two by the Speaker of the House*
9 *of Representatives, two by the President of the Senate and one by the Chief Justice of the Supreme*
10 *Court of the State of Oregon.] appointed as follows:*

11 **(a) Two members, who may not be of the same political party, appointed by the Governor;**

12 **(b) Two members, who may not be of the same political party, appointed by the Chief**
13 **Justice of the Supreme Court;**

14 **(c) Two members, who may not be of the same political party, appointed by the President**
15 **of the Senate; and**

16 **(d) Two members, who may not be of the same political party, appointed by the Speaker**
17 **of the House of Representatives.**

18 (2) The term of office of each member is four years. A member is eligible for reappointment. If
19 there is a vacancy for any cause, the appointing authority having made the appointment of the
20 member representing the vacancy[,] shall make an appointment to become immediately effective for
21 the unexpired term.

22 (3) *[No person]* **An individual** who holds an office or position the salary of which is subject to
23 ORS 292.907 to 292.930 *[shall be]* **is not** eligible to serve on the commission **until the individual**
24 **has been out of the office or position for at least 24 months.**

25 **SECTION 2.** (1) **Notwithstanding the term of office specified in ORS 292.907, the term of**
26 **office of each individual who is a member of the Public Officials Compensation Commission**
27 **on the effective date of this 2007 Act expires on the effective date of this 2007 Act.**

28 **(2) A member of the commission whose term of office expires as provided in subsection**
29 **(1) of this section is eligible for reappointment.**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (3) New members shall be appointed to serve on the commission on or after the effective
 2 date of this 2007 Act and, if possible, by July 1, 2008.

3 (4) Notwithstanding the term of office specified in ORS 292.907, of the members first ap-
 4 pointed to serve on the commission on or after the effective date of this 2007 Act:

5 (a) Four members, one appointed by each appointing authority, shall serve for terms
 6 ending January 1, 2010; and

7 (b) Four members, one appointed by each appointing authority, shall serve for terms
 8 ending January 1, 2012.

9 **SECTION 3.** ORS 292.912 is amended to read:

10 292.912. (1) The Public Officials Compensation Commission shall review and [*make recommen-*
 11 *dations to the Legislative Assembly regarding*] **establish** the **annual** salary of each **elective** officer
 12 subject to ORS 292.907 to 292.930 and [*all compensation of members*] **of each member** of the Legis-
 13 lative Assembly for the succeeding biennium.

14 (2) [*Such recommendations shall be*] **The commission shall establish the salaries** based upon
 15 the following criteria:

16 (a) Comparable positions in neighboring states.

17 (b) The qualifications and skills necessary for each office.

18 (c) The level of responsibility implicit in each office.

19 (d) The cost of living.

20 (e) The total compensation of the positions, including benefits other than salary.

21 (f) Budget limitations.

22 (g) Any other factors the commission may consider to be reasonable, appropriate and in the
 23 public interest.

24 [*(3) The commission shall cause to have prepared legislative measures that would implement the*
 25 *commission's recommendations on salaries of officers subject to ORS 292.907 to 292.930 and all com-*
 26 *penensation of members of the Legislative Assembly for the succeeding biennium.*]

27 (3) **The commission shall meet on or before September 1 of each even-numbered year to**
 28 **review and establish the salaries. The commission may meet at other times as a majority**
 29 **of the members of the commission determines necessary to carry out the commission's du-**
 30 **ties. On or before November 15 of each even-numbered year, the commission shall complete**
 31 **a report that lists the salaries established by the commission and send the report to the**
 32 **Governor, the President of the Senate, the Speaker of the House of Representatives and the**
 33 **Chief Justice of the Supreme Court.**

34 (4) **The salaries established by the commission take effect on July 1 of the odd-numbered**
 35 **year following the completion of the report described in subsection (3) of this section unless,**
 36 **by May 1 of that odd-numbered year, the Legislative Assembly passes a bill rejecting all of**
 37 **the salaries and the bill is enacted and takes effect on or before July 1 of that odd-numbered**
 38 **year. The salary of each individual who holds an office or position for which the salary is**
 39 **established by the commission may not be diminished during the term for which the indi-**
 40 **vidual is elected.**

41 **SECTION 4.** ORS 292.917 is amended to read:

42 292.917. (1) The Public Officials Compensation Commission shall select one of its members as
 43 chairperson and another as vice chairperson, for such terms and with **such** duties and powers nec-
 44 essary for the performance of the functions of [*such*] **the** offices as the commission determines.

45 (2) A majority of the members of the commission constitutes a quorum for the transaction of

1 business.

2 **(3) Official action by the commission requires the approval of a majority of the members**
 3 **of the commission.**

4 [(3) *The commission shall meet as frequently as the proper and efficient discharge of its duties may*
 5 *require.*]

6 (4) A member of the commission [*shall be*] **is** eligible for compensation and expenses under ORS
 7 292.495.

8 (5) The [*Personnel Division*] **Governor's office** shall assist the [*Public Officials Compensation*]
 9 commission in carrying out its functions.

10 **SECTION 5.** ORS 292.930 is amended to read:

11 292.930. Each of the following elective officers shall be paid an annual salary on a monthly basis
 12 as [*determined by the Legislative Assembly*] **established under ORS 292.912** each biennium beginning
 13 July 1, [*1985*] **2009**:

14 (1) Governor.

15 (2) Secretary of State.

16 (3) State Treasurer.

17 [(4) *Attorney General.*]

18 [(5) *Superintendent of Public Instruction.*]

19 [(6) *Commissioner of the Bureau of Labor and Industries.*]

20 **(4) Chief Judge of the Court of Appeals.**

21 [(7)] **(5)** Court of Appeals judge.

22 **(6) Chief Justice of the Supreme Court.**

23 [(8)] **(7)** Supreme Court [*Justice*] **judge.**

24 [(9)] **(8)** Circuit Court judge.

25 [(10)] **(9)** Tax Court judge.

26 **SECTION 6.** ORS 171.072 is amended to read:

27 171.072. (1) A member of the Legislative Assembly shall receive for services an annual salary
 28 **established under ORS 292.912.** [*of the greater of:*]

29 [(a) *One step below the maximum of Salary Range 1 in the Management Service Compensation*
 30 *Plan in the executive department as defined in ORS 174.112; or]*

31 [(b) *Seventeen percent of the salary of a Circuit Court Judge.*]

32 (2) The President of the Senate and the Speaker of the House of Representatives each shall re-
 33 ceive for services, as additional salary, an amount equal to the [*sum*] **salary** allowed each of them
 34 as a member under subsection (1) of this section.

35 (3) A member of the Legislative Assembly shall receive, as an allowance for expenses not oth-
 36 erwise provided for, a per diem determined as provided in subsection (9) of this section for each day
 37 within the period that the Legislative Assembly is in session, to be paid with the salary provided for
 38 in subsection (1) of this section. Pursuant to procedures determined by the Legislative Adminis-
 39 tration Committee, a member may draw from an accrued allowance.

40 (4) A member of the Legislative Assembly shall receive, as an allowance for expenses incurred
 41 in the performance of official duties during periods when the legislature is not in session, \$400 for
 42 each calendar month or part of a calendar month during those periods, to be paid monthly, and
 43 subject to approval of the President of the Senate or **the** Speaker of the House of Representatives,
 44 mileage expenses and a per diem determined as provided in subsection (9) of this section for each
 45 day a member is engaged in the business of legislative interim and statutory committees, including

1 advisory committees and subcommittees of advisory committees, and task forces and for each day
 2 a member serves on interstate bodies, advisory committees and other entities on which the member
 3 serves ex officio, whether or not the entity is a legislative one.

4 (5) In addition to the mileage and per diem expense payments provided by this section, a member
 5 of the Legislative Assembly may receive reimbursement for actual and necessary expenses, subject
 6 to approval by the President of the Senate or **the** Speaker of the House of Representatives, for
 7 legislative business outside of the state.

8 (6) The President of the Senate and **the** Speaker of the House of Representatives may delegate
 9 to the chairpersons of interim and statutory committees and task forces the approval authority
 10 granted to *[them]* **the President and Speaker** by subsection (4) of this section, with respect to ex-
 11 penses incurred in attending any meeting of a particular committee or task force.

12 (7) Amounts received under subsections (3) to (5) of this section are excluded from gross income
 13 and expenditures of the amounts are excluded in computing deductions for purposes of ORS chapter
 14 316. If there is attached to the personal income return a schedule of all ordinary and necessary
 15 business expenses paid during the tax year as a member of the Legislative Assembly, a deduction
 16 may be claimed on the return for legislative expenses paid in excess of the amounts received under
 17 subsections (3) to (5) of this section. Expenses of members of the Legislative Assembly *[that]* **who**
 18 are reimbursed by the state for actual expenses for meals and lodging associated with state travel
 19 for the same period during which a legislator receives per diem *[is]* **are** subject to state income tax.

20 (8) For periods when the Legislative Assembly is not in session, the Legislative Administration
 21 Committee shall provide for a telephone and an expense allowance for members of the Legislative
 22 Assembly that is in addition to the amount allowed under subsection (4) of this section. In deter-
 23 mining the amount of allowance for members, the committee shall consider the geographic area of
 24 the member's district. The additional allowance shall reflect travel expenses necessary to communi-
 25 cate in districts of varying sizes.

26 (9) The per diem allowance referred to in subsections (3) and (4) of this section shall be the
 27 amount fixed for per diem allowance that is authorized by the United States Internal Revenue Ser-
 28 vice to be excluded from gross income without itemization.

29 **SECTION 7.** ORS 292.313 is amended to read:

30 292.313. The incumbents of each of the following offices shall be paid an annual salary on a
 31 monthly basis, as follows:

32 *[(1) Governor, \$93,600 for the year beginning July 1, 2001, and ending June 30, 2002, and for each*
 33 *year thereafter. The Governor shall also be paid \$1,000 per month regularly for expenses necessarily*
 34 *incurred but not otherwise provided for.]*

35 *[(2) Secretary of State, \$72,000 for the year beginning July 1, 2001, and ending June 30, 2002, and*
 36 *for each year thereafter. The Secretary of State shall also be paid \$250 per month regularly for ex-*
 37 *penditures necessarily incurred but not otherwise provided for.]*

38 *[(3) State Treasurer, \$72,000 for the year beginning July 1, 2001, and ending June 30, 2002, and*
 39 *for each year thereafter. The State Treasurer shall also be paid \$250 per month regularly for expenses*
 40 *necessarily incurred but not otherwise provided for.]*

41 *[(4) (1) Attorney General, \$77,200 for the year beginning July 1, 2001, and ending June 30, 2002,*
 42 *and for each year thereafter. The Attorney General shall also be paid \$250 per month regularly for*
 43 *expenses necessarily incurred but not otherwise provided for.*

44 *[(5) (2) Superintendent of Public Instruction, \$72,000 for the year beginning July 1, 2001, and*
 45 *ending June 30, 2002, and for each year thereafter. The superintendent shall also be paid \$250 per*

1 month regularly for expenses necessarily incurred but not otherwise provided for.

2 [(6)] (3) Commissioner of the Bureau of Labor and Industries, \$72,000 for the year beginning July
3 1, 2001, and ending June 30, 2002, and for each year thereafter. The commissioner shall also be paid
4 \$250 per month regularly for expenses necessarily incurred but not otherwise provided for.

5 **SECTION 8.** ORS 292.430 is amended to read:

6 292.430. (1) In addition to the annual salaries **established under ORS 292.912 or** set forth in
7 ORS 171.072 and 292.313, the Oregon Department of Administrative Services may “pick-up,” assume
8 and pay to the Public Employees Retirement Fund any employee contributions, otherwise required
9 by ORS 238.200, for the Governor, Secretary of State, State Treasurer, Attorney General, Super-
10 intendent of Public Instruction, Commissioner of the Bureau of Labor and Industries and members
11 of the Legislative Assembly.

12 (2) The department may provide health, dental, life and long-term disability insurance without
13 cost to the officers referred to in subsection (1) of this section and to judges of the Supreme Court,
14 Court of Appeals, Oregon Tax Court and circuit courts in such amounts as are provided from time
15 to time to employees in the unclassified service of the state.

16 **SECTION 9. ORS 292.405, 292.410, 292.415, 292.425 and 292.920 are repealed.**

17 **SECTION 10. This 2007 Act does not take effect unless the revision of the Oregon Con-**
18 **stitution proposed by House Joint Resolution 6 (2007) is approved by the people at the next**
19 **primary election. This 2007 Act takes effect on the effective date of that constitutional re-**
20 **vision.**

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