

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	5 - 0 - 0
Yeas:	Atkinson, Burdick, Ferrioli, Metsger, Devlin
Nays:	0
Exc.:	0
Prepared By:	Lisa Nuss, Administrator
Meeting Dates:	2/3, 2/5, 2/10, 2/12, 3/6, 3/10, 3/13, 3/19, 3/24

WHAT THE MEASURE DOES: Makes changes and clarifications to ethics laws governing public officials. Clarifies that certain gift limits apply when the source has a legislative or administrative interest in the public official, and not in the public official's agency. Clarifies that "legislative or administrative interest" lies in a "decision or vote" of the public official.

Gift Limits

Clarifies that officials may attend receptions or meetings when they are representing a governmental entity. Removes requirement that 501(c)(3) organizations must receive less than 5 percent of funds from for-profits in order to pay for public officials' attendance at conventions, fact-finding missions or other meetings. Removes ban on entertainment gifts passed in 2007, making entertainment subject to gift limits. Clarifies that gift limits do not apply to gifts from private employment or volunteer work of the public official or relative, when given as part of the usual and customary practice, and bearing no relationship to the official's holding of public office.

Reporting to Ethics Commission

Eliminates quarterly reporting for public officials; adds quarterly report requirements into annual Statement of Economic Interest (SEI). Adds 21 officials to the list of public officials that must file annual SEI. Changes income reporting requirements from listing five most significant sources, to listing sources that produce 10 percent or more of household income. Removes requirement to list names of relatives and members of household on SEI. Prohibits Ethics Commission from disclosing names of any relatives or members of household provided from January 2008 until this bill becomes law.

Ethics Commission

Prohibits the Ethics Commission from imposing a penalty on an official who relies in good faith on the Ethics Commission manual or a staff advisory opinion. Delays until 2013 requirement that commission develop an electronic filing system and post filings online in a format searchable by the public. Requires commission to report on progress developing an electronic system to the 2011 Legislature.

Changes definition of public official to remove the words "or otherwise." Conforms the application of ethics laws to both public officials and candidates, throughout the chapter. Recognizes the work that public officials provide, and recognizes certain expected ethical standards of conduct. Declares emergency; takes effect on passage.

ISSUES DISCUSSED:

- Public officials' confusion over changes in the laws
- Trying to meet intent of ethics laws with practical and enforceable fixes
- Need to narrow definition of "legislative and administrative interest" so it applies to specific decisions by the official, but not the official's entire agency
- Concerns about reporting information about relatives
- Quarterly reports are burdensome when most local officials will have nothing to report
- Privacy concerns regarding planned eventual posting of reports on the internet
- How to fix problems without creating unintended loopholes

- Need for transparency and informed citizen participation in government
- Need to recognize the hard work of Oregon's public officials, both paid and volunteer

EFFECT OF PROPOSED COMMITTEE AMENDMENT: Replaces original measure.

BACKGROUND: In 2007, the Legislature passed two major ethics reform bills (SB 10 and HB 2595). During 2008, the Senate Interim Committee on Rules and Executive Appointments conducted public hearings on concerns about changes in the ethics laws. Senate President Courtney and House Speaker Merkley appointed an Ethics Reform Review Team in 2008, which reviewed complaints and summarized perceived problems. This measure is intended to address those concerns.