

REVENUE: No revenue impact

FISCAL: No fiscal impact

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<b>Action:</b>	Do Pass
<b>Vote:</b>	8 - 0 - 0
<b>Yeas:</b>	Berger, Edwards C., Garrard, Gelser, Jenson, Nolan, Read, Roblan
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Jerry Watson, Administrator
<b>Meeting Dates:</b>	5/18

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**WHAT THE MEASURE DOES:** Requires constitutional challenges to government ethics provisions of Chapter 8, Oregon Laws 2007, be appealed directly to state Supreme Court. Requires the Court to expedite review. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Need for immediate guidance to public officials statewide
- Cost savings
- Ripeness of claims

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** Senate Bill 10 (2007) established monetary limits on gifts, entertainment, and honorarium received by public officials from people with legislative or administrative interests. ORS 244.025 set a monetary limit on gifts at \$50 and prohibits a person with legislative or administrative interests from giving any gifts of entertainment. ORS 244.042 prohibits a person from providing honorarium with a value of more than \$50 to a public official in connection with the official duties of the public office.

In 2007, Fred VanNatta filed a lawsuit, *VanNatta v. Oregon Government Ethics Commission*, challenging the constitutionality of the limitations imposed on gifts, entertainment, and honorarium. Mr. VanNatta lost in the lower court, and is appealing the decision to the Oregon Court of Appeals.

The situation is analogous to the legislative reform of the Public Employee Retirement System (PERS) in 2003. Following said reform, multiple lawsuits were filed to challenge the manner in which the PERS system was administered. Given the number of persons effected, House Bill 2409 (2003) was passed to allow direct certification of appeals to the state's Supreme Court. Senate Bill 577 confers similar jurisdictional authority upon the Court for cases challenging the provisions of Senate Bill 10 (2007) as was provided to PERS cases in House Bill 2409.

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