

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass
Vote: 4 - 0 - 1
Yeas: Atkinson, Burdick, Metsger, Devlin
Nays: -
Exc.: Ferrioli
Prepared By: Erin Seiler, Administrator
Meeting Dates: 4/7, 4/24

WHAT THE MEASURE DOES: Requires certification of appeals to Supreme Court for judgment of cases challenging constitutionality of government ethics provisions of Chapter 8, Oregon Laws 2007. Requires expedited review of case by Supreme Court. Declares an emergency, effective upon passage.

ISSUES DISCUSSED:

- Constitutionality of gift, entertainment, and honorarium limitations for public officials
- Timeline for judicial review of *VanNatta v. Oregon Government Ethics Commission*
- Feasibility of a real-time lobby expenditure reporting system
- Impact of SB 30 (2009) on *VanNatta v. Oregon Government Ethics Commission*

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.

Following the legislative reform of the Public Employee Retirement System (PERS) in 2003, multiple lawsuits were filed that challenged the manner in which the PERS system was administered. In order to expedite the resolution of any legal and statutory ambiguity, House Bill 2409 (2003) passed, which allows direct certification of appeals to Supreme Court of cases challenging PERS provisions.

Senate Bill 577 confers similar jurisdictional authority upon the Supreme 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.