

**2009 Regular Legislative Session**  
**FISCAL ANALYSIS OF PROPOSED LEGISLATION**  
**Prepared by the Oregon Legislative Fiscal Office**

---

**MEASURE NUMBER:** SB 30                               **STATUS:** B Engrossed  
**SUBJECT:** Relating to government ethics, reporting requirements, and gift limits.  
**GOVERNMENT UNIT AFFECTED:** Government Ethics Commission  
**PREPARED BY:** John Terpening  
**REVIEWED BY:** Ken Rocco  
**DATE:** April 10, 2009

---

**EXPENDITURES:**  
See Comments

**EFFECTIVE DATE:** July 1, 2009

**GOVERNOR'S BUDGET:** This bill is not anticipated by the Governor's recommended budget.

**LOCAL GOVERNMENT MANDATE:** This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**ANALYSIS:** The measure recognizes the work of public officials and the ethical standards they should uphold, defines the terms "candidate" and "legislative or administrative interest", and expands the definition of the term "relative". Additionally, the measure modifies gift limits, increases the number of persons that must file an annual statement of economic interest, and eliminates the quarterly reporting requirement for public officials. The measure modifies the requirements of the annual statement of economic interest to include sources of income that produce 10% or more of household income, and removes the requirement to list the names of relatives and members of household on the statement. The measure prohibits the Government Ethics Commission (GEC) from disclosing names of relatives or members of household, and prohibits the Commission from penalizing a public official who relies on the ethics manual in good faith. The GEC manual and any updates to the manual must be approved by a majority vote of the members of the Commission. The GEC may not disclose names of relatives or members of households supplied on statements of economic interest filed from January 1, 2008 to January 1, 2010. The GEC may not take action or impose penalties on public officials or candidates that did not supply names of relatives or members of households on statements of economic interest filed before January 1, 2010. The measure requires the GEC to report on development of the electronic filing system to the 2011 Legislature, but delays the requirement of implementation of the electronic filing system until January 1, 2013. The measure declares an emergency and is effective on passage, with operative dates of January 1, 2010.

The GEC states that the measure is a change to previous ethics legislation (SB 10, 2007) and will require the revision of agency publications, written formal advisory opinions, administrative rules, and staff advice. In anticipation of changes to current ethics law and SB 10 (2007), the GEC included a policy package for two full-time Program Analyst positions, with associated services and supplies, for a total cost of \$288,901 for the 2009-2011 biennium. The agency estimates that these positions are needed to assist with providing public officials with staff advice, writing formal advisory opinions, and providing training on the new ethics standards as a result of this measure.

The Legislative Fiscal Office (LFO) believes that the agency can absorb expenditures related to rule making and modification of the ethics manual publication. Furthermore, LFO notes that if any remaining

costs cannot be accommodated within the agency's 2009-11 legislatively adopted budget, the agency may need to return to the Emergency Board if budgeted resources prove insufficient to cover the actual costs of this measure.