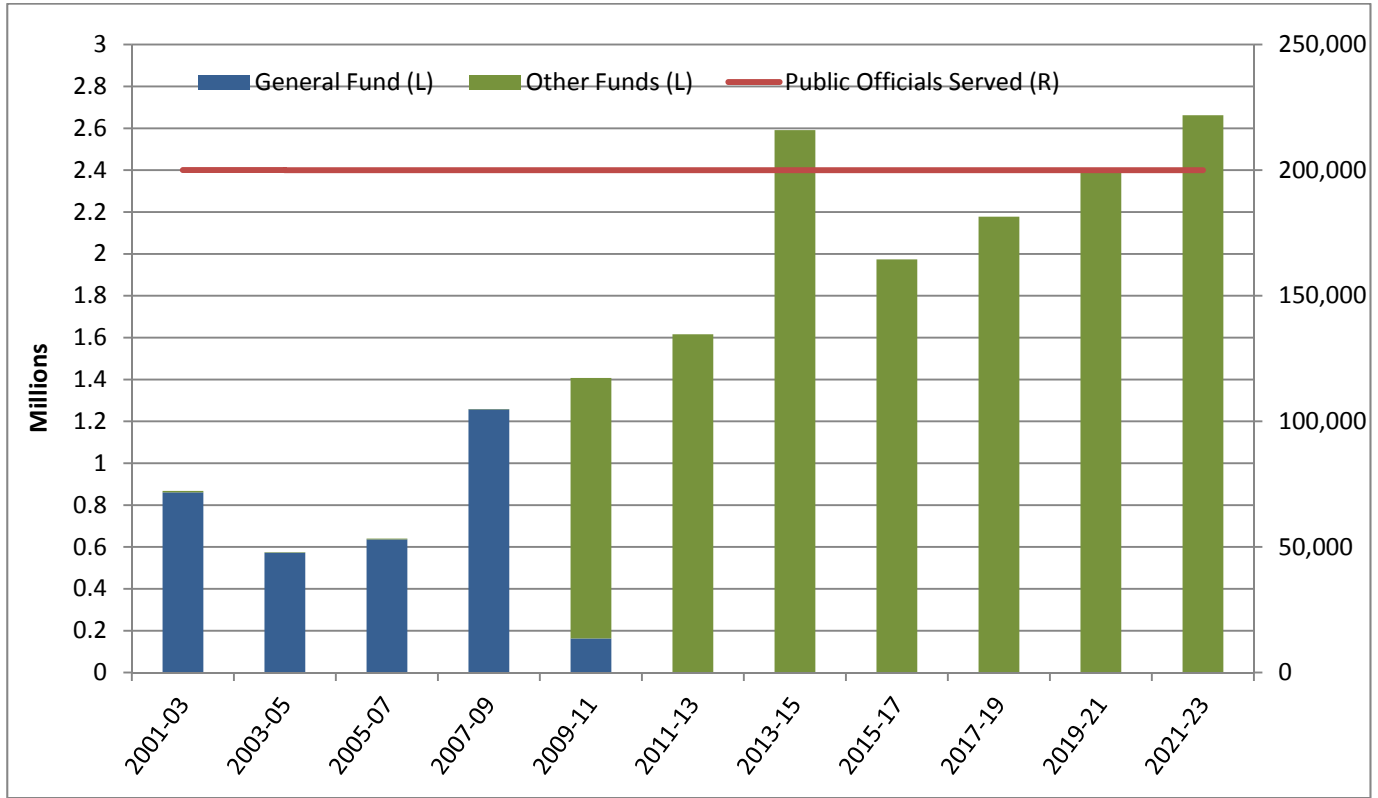


Agency Name: Oregon Government Ethics Commission

Primary Outcome Area: Improving Government
Secondary Outcome Area: None
Program Contact: Ronald A. Bersin



Executive Summary

The Oregon Government Ethics Commission ensures that public officials throughout the state adhere to the provisions of Ethics laws found in ORS Chapter 244 and the Executive Session provisions of public meeting laws in ORS 192.660. Oregonians are able to file complaints about public officials using their positions for financial gain, not declaring conflicts of interest, executive session violations, and receiving gifts over the allowed gift limits. The agency also oversees lobby regulations as stated in ORS Chapter 171.725 to 171.785. The Commission provides training to public officials throughout the state on ethics, executive sessions and lobby laws.

The funding for the 2013-15 biennium includes a one-time \$800,000 additional assessment to create the statutorily-mandated electronic reporting system for Statement of Economic Interest (SEI) and Lobbyist reports. This one-time request is subject to budget approval, will complete the work started in the 2007-09 biennium and will complete the statutorily-required electronic reporting system. The agency has talked to other state agencies with electronic reporting systems about partnering on their systems. These talks resulted in the agency learning that current systems within the state would require extensive modification to add the Ethics Commission's required reports, thereby eliminating any predicted cost savings.

Program Description

The agency is responsible for training and regulating public officials in ethics, lobby and the executive session provisions of public meetings laws. The agency has two separate programs of investigations and training.

The purpose of the investigations program is to hold public officials and lobbyists accountable to the ethics, executive session, and lobby laws, and to Oregonians. The investigation program is responsible for responding to complaints filed with the agency on violations of those elements. The agency receives approximately 110 complaints each year. The investigators also reply to several hundred requests for advice from public officials, public bodies and businesses. The results of these investigations are reported to the Commission in public meetings. The investigators use a variety of sources to complete the investigations within the statutorily-required timeframes. The investigators work with statewide organizations, including the League of Oregon Cities, Association of Oregon Counties, Special Districts Association, Oregon Education Association, and many others. Only public officials are subject to the investigations as the agency has no jurisdiction over the government entities; therefore, the agency does not track any costs to the government entity.

One of the major cost factors with investigations is the use of the agency's Assistant Attorney General. Attorney costs continue to rise due to amendments to the ethics laws in the 2007 and 2009 legislative sessions. Formal advice given by the agency is required to be reviewed by legal counsel. The agency has made strides to contain these costs by limiting the number of staff able to directly contact our legal counsel, and requiring approval of the Executive Director. The agency has also changed its billing program with the Department of Justice to a biennial flat rate plan. The plan gives the agency some reliance on the estimated costs per biennium, making it easier to budget. The agency plans to continue the flat-rate fee structure in the 2013-15 biennium.

The training program is relatively new for the agency. Before 2007, the agency essentially relied on publicizing the results of investigations to train public officials. The agency has worked over the last several biennia to create a training program that takes a proactive approach to training public officials, public bodies and lobbyists. The agency realized that many of the investigative cases coming before the Commission were a result of public officials simply not being aware of the restrictions placed upon them by the laws. This past biennium, the agency has taken the training to a virtual level, now holding many training sessions on-line in real time with the use of a webcam and conferencing abilities. The agency has partnered with the Department of Administrative Services (iLearn and iLink) in hosting the on-line training sessions. The training has been very successful for the agency by providing a low-cost, but high-value product to public bodies who can participate from their own computers. The agency has also partnered with organizations for public officials, such as the LOC, AOC, SDA, OEA, etc., and these stakeholders have assisted the agency in marketing its new training by allowing the agency to advertise training opportunities in their newsletters. One of results of the on-line training is a slight decrease in the number complaints filed on public officials. The agency predicts this trend to continue as on-line training increases.

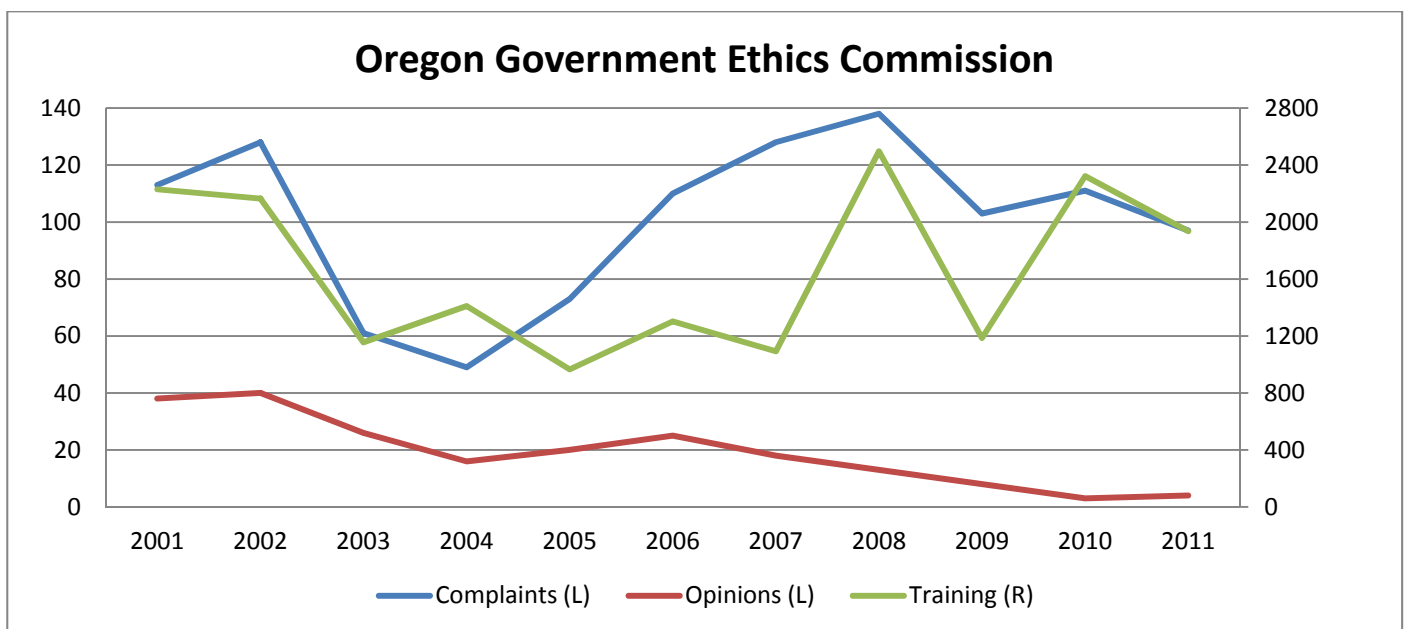
Lastly, the trainers are responsible for providing the day-to-day informal advice requested by public officials, either in person, by email or over the telephone. The requests number in the hundreds each year, requiring a large portion of the trainers' time. The agency finds that many public officials ask very similar questions, so it is imperative that the agency share this information with all the other public officials throughout the state. Currently, the agency is developing a program to share questions and answers with public officials. The agency is using the associations' newsletters, agency websites, and email distribution lists to share the information. These programs have helped to reduce the number of repeat questions heard by the agency's trainers.

Program Justification and Link to 10-Year Outcome

The agency programs directly link to the 10-year outcome of improving how government works. Adherence to the ethics, executive session and lobby laws ensures public officials are not using their offices for financial gain, for accepting gifts from sources with a legislative or administrative interest, and are conducting executive sessions in compliance with the public meeting laws. The agency's mission is to ensure the public's trust in its public officials and public bodies. Governments must be transparent to work well, and the Ethics Commission ensures that needed transparency.

Program Performance

The Ethics Commission's programs train and regulate public officials, public bodies and lobbyists on the state's ethics, lobby and executive session laws. The agency safeguards the public's trust and ensures that public officials comply with the application of ORS Chapter 244, 171.725 to 171.785 and specific provisions of 192.660. The agency achieves this through its compliance and training programs. The agency and its programs directly link to the 10-year plan of improving government. The ethics and executive session laws create a public trust for public officials ensuring good government and improving operations for all state agencies and local government entities. The agency is seeing a direct relationship between investment in training and compliance with the ethics, executive session and lobby laws. The agency will continue to invest in training to proactively prevent violations. Trained public officials and public bodies create the transparency required to ensure efficient and effective government.



The graph above reflects that the agency is finding a direct relationship between public officials and public bodies trained and the decrease in the number of public officials found in violation of the ethics and executive session laws. Also, the agency is finding the same relationship between the number of lobbyists and lobby firms trained to a reduction in lobby law violations.

The agency is updating its website to convey questions concerning administrative processes throughout state and local government. Trainers are currently designing a training session for procurement and other administrative personnel on administrative processes adhering to the ethics laws. There seems to be some confusion on sponsor travel received by state agencies.

Many businesses want to market discounted products and services to public officials (i.e. cell phone companies, Nike, etc.). The agency provides these businesses with written advice on how or if public

officials can accept their discounts. This information is then shared with public officials statewide through the agency's website.

Enabling Legislation/Program Authorization

The agency's oversight of the state's ethics, lobby and executive session laws is mandated by Oregon Revised Statutes. The mandates are found in ORS Chapter 244, 171.725 to 171.785, and the specific provisions of 192.660.

Funding Streams

The 2007 legislature migrated the agency's funding stream from General Fund to Other Funds. The 2007-09 biennium was used to migrate the agency to its Other Fund Model. In the 2007-2009 biennium, the agency received enough General Funds to operate until its new funding model began to receive funds. The agency's current funding model is a 50% assessment to state agencies, based on a cost per Full Time Equivalent (FTE), and 50% to local governments, based on their Municipal Audit Fee. Local government is comprised of approximately 1700 jurisdictions and pays a rate based on their Municipal Audit Fee. This funding distribution was agreed to by all parties during the 2007 legislative session. Local governments directly paying 50 % of the agency's operating budget is unique in state government. Currently, local governments have an over 99.6% voluntary compliance rate in paying the agency's assessment. The Municipal Audit Fee has eight separate fee amounts, which are dependent on the local government's expenditure amounts. The lowest fee is for expenditures under \$50,000, whereas the highest fee is for expenditures over \$50,000,000. Currently the agency's assessment range, based on those fees is:

Level 1	\$52.03
Level 2	\$104.06
Level 3	\$390.23
Level 4	\$520.31
Level 5	\$650.39
Level 6	\$780.46
Level 7	\$910.54
Level 8	\$1,040.62

The agency currently shares space with six other state agencies. This includes sharing costs for conference room space, copy and fax resources, and fiber optic lines, resulting in savings for the agency.

Significant Proposed Program Changes from 2011-13

The agency is requesting a one-time special assessment for the electronic reporting system. The requested \$800,000 additional budget request will be used exclusively for the development and implementation of the electronic reporting system. The implementation of the electronic reporting system will save the agency costs for postage and printing, and personnel resources in responding to public records requests. The data from the system will be posted on-line to serve all Oregonians seeking this publicly filed data. The system will also save money and time for the SEI filers, lobbyists and businesses represented by the lobbyists by allowing them to file their required reports electronically. Currently the reports are filed by mail, email or fax, which creates a large amount of paperwork for the agency staff to open, process and file. The system will eliminate the manual processes currently in place for both the filers and the agency. This \$800,000 accounts for the spike in the agency's proposed budget for 2013-15 biennium.