

THE PUBLIC COMMISSION ON THE OREGON LEGISLATURE
THE COMMITTEE ON MANAGEMENT AND HUMAN RESOURCES

August 7, 2006
9:00 A.M.

Hearing Room 350
Tapes 11 – 14

MEMBERS PRESENT: **John Lattimer, Co-Chair**
 Connie Seeley, Co-Chair
 Dave Barrows
 Daniel Bernstine by speakerphone
 Jane Cease
 Jim Hill
 Greg Merten
 Sen. Frank Morse
 Delores Pigsley

STAFF PRESENT: **Marjorie Taylor, Committee Administrator**
 Patsy Wood , Committee Assistant

PROPOSALS/ISSUES HEARD:

- **Committee Discussion and Possible Recommendation on Legislative Audit Office – Proposal #43 – Legislative Audit Function**
- **Committee Discussion and Possible Recommendation on Legislator Compensation – Proposal #7 – Legislator Compensation**
- **Committee Discussion and Possible Recommendation on Staffing of Legislative Offices**
 - **Proposal #9 – Review of Staffing and staff resources**
 - **Proposal #24 – Role of caucus offices**
 - **Proposal #42 – Legislative Research function**
 - **Proposal #52 – Performance evaluations**
 - **Proposal #29 – Non-partisan staff**
 - **Proposal #4 – Legislator staffing**
 - **Proposal #62 – Committee staff managed through the desks**
 - **Proposal #63 – Committee Services as an independent agency**
 - **Proposal #22 – Personnel regulations**
 - **Proposal #58 – Establish a “Superchief”**

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker’s exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 11, A		
007	Co-Chair Seeley	Calls the meeting to order at 9:07 a.m. Greets Commissioner Bernstine who is joining the commission by speakerphone. Tells him who is in the room. Notes that commissioner Sonja Sorensen Craig has resigned.
020	Marjorie Taylor	Commission Administrator. Reminds commission members about the full commission meeting Monday, August 14.

022 Co-Chair Seeley Notes this subcommittee could possibly finish their work today. Opens discussion on proposal #43 – Legislative Audit Office (**EXHIBIT A**).

COMMITTEE DISCUSSION ON PROPOSAL #43 – LEGISLATIVE AUDIT FUNCTION

036 Dallas Weyand Legislative Fiscal Office (LFO). Submits proposal to create the Legislative Audit Office (**EXHIBIT B**).

041 Jane Cease Questions what happened to the earlier program evaluation concept which came from an NCSL (National Council of State Legislatures) report.

047 Co-Chair Seeley Responds that Dallas may speak to that; says this is just a starting point.

052 Cease Thought there was committee agreement about the concept of program evaluation rather than using the term “audit.”

059 Weyand Knows there was discussion about program evaluation, but he took the instruction to address the legislative audit function. Says the legislature does not have to relinquish all audit responsibilities to the Secretary of State. Notes previous discussion about a program evaluation concept, and an NCSL national program evaluation group, which is different in concept from an audit. Indicates his approach is strictly for a legislative audit function which takes away any reference to the Secretary of State without amending any existing statutes. Reiterates this did not change anything with respect to the Secretary of State; merely sets up a legislative audit office under the auspices of the Joint Legislative Audit Committee (JLAC) who would appoint a director who, in turn, would hire staff. Purpose: to conduct audits of the performance and management of state agencies and programs.

115 Weyand Indicates the director can contract out for work and the office could subpoena records. Brings up the issue of a constitutional challenge which can be taken directly to the Supreme Court. Notes working papers would be confidential – not subject to the public records law.

159 Chuck Hibner Auditor, Secretary of State (SOS). Describes previous discussions with LFO to establish this legislative audit office. Says they talked about evaluations, but it wasn’t included in this package. Thinks the legislature has the ability to look at performance measures and the effectiveness of an agency to attain those. States they agreed to disagree on the constitutional authority question.

188 Sen. Frank Morse Thanks Dallas for excellent work. Ventures this may be the most significant, long-term, far-reaching recommendation to come out of this commission. Says the public has the expectation that the legislature not only appropriate money, but follow that in a responsible, structured way. Feels there is a huge disconnect between those in policy and appropriation, and the follow-up and goodwill dependence upon agencies to submit information. Thinks this proposal closes that gap with substantial teeth in law to follow those funds to make sure the intent is being met in an efficient, effective way. Supposes there will be close collaboration with the SOS to follow procedures.

221 Greg Merten Comments that part of the legislative process should be to set up audit criteria to make sure the legislative intent is being followed.

- 239 Sen. Morse Discusses the way this proposal ties in with the use of performance measurements. Feels some of the performance measurements in the reporting are a little suspect, so this puts more credibility into checking an agency's follow through.
- 256 Merten Asks how the audit process knows they've captured intent.
- 260 Weyand Responds that the Joint Legislative Audit Committee (JLAC) would set up criteria to make sure the original legislative intent was being met.
- 293 Lattimer Inquires if this office will follow Yellow Book standards.
- 295 Weyand Replies that would be left up to JLAC. Describes why he deliberately did not address this in the proposal. Says the policies adopted by the committee could require that those audits follow Yellow Book standards, but thinks the same outcomes can be achieved without formally adopting those standards.
- 317 Co-Chair Lattimer Wonders if audits could be performed without using Yellow Book standards and still maintain their license.
- 320 Weyand Answers he could not conduct a financial audit and issue an opinion without using those standards, but this proposed audit office would not conduct financial audits.
- 325 Cease Expresses some confusion between what the legislature wants to do with this audit function vs. an audit performed by the Secretary of State and the standards that are used.
- 353 Co-Chair Lattimer Explains that the GAO (General Accountability Office) establishes standards for doing both program and financial audits.
- 358 Cease Questions why this commission would recommend something that looks like duplication of what another agency is supposed to do. Feels the Ways & Means (W & M) Committee should focus more on an agency achieving their performance measures and let technical audits be done by a constitutional agency.
- 393 Sen. Morse Describes how this proposal gives a more objective evaluation of what the outcomes really are.
- 422 Merten Notes there is currently no independent evaluation in front of W & M.
- 424 Sen. Morse Hopes this would be an independent evaluation insulated from political persuasions.

TAPE 12, A

- 019 Co-Chair Seeley Discusses the Joint Legislative Audit & Review Committee (JLARC) they found in the State of Washington when they looked at their auditing functions.
- 029 Cease Inquires how this would work with the W & M process.
- 032 Sen. Morse Describes how he envisions this in-depth information being used in the W & M process to make an informed decision.
- 047 Merten Questions how the overlap between the SOS's financial audit function and this program's audit function would be handled.
- 054 Co-Chair Lattimer Clarifies that the SOS does financial and program audits.
- 056 Hibner Replies that is really difficult to tell because performance audit is a

- term of art so you would have to clearly define what the legislative audit office would do – strictly evaluating performance measures may not be a problem, but an audit looking at economies and efficiencies might run into problems with the SOS office.
- 079 Co-Chair Seeley Brings up the fact that Oregon does not have an audit process in place when agency practices are brought into question.
- 094 Weyand Responds, by statute, a constituent could go to the JLAC which is staffed by LFO who could choose to undertake an audit. States the problem is that LFO is primarily ramped up for budgets – not audits.
- 108 Cease Explains how she would handle questions about agency functions in a committee format.
- 120 Co-Chair Seeley Replies that is fine if you have political influence, but not everyone has those resources to solve the problem.
- 127 Weyand Indicates any audit responsibility for the legislature is with the Joint Legislative Audit Committee which is staffed by LFO and their main focus is budgets – not audits. Says this legislative audit office proposal was crafted for purposes of debate. Describes how this office could function all year round and keep up with agency operations which would be valuable to the legislature.
- 154 Hibner Adds there are other options – a legislator could call the Secretary of State and ask for something to be audited.
- 167 Merten Questions what this proposed legislative audit office will do that the LFO doesn't already have authority to do.
- 179 Weyand Replies it puts that function with a different office.
- 181 Merten Needs clarification about who has accountability for the audit function. Uses example of audit performed at HP (Hewlett Packard).
- 207 Hibner Replies the SOS staff does internal audits looking at the economy and efficiency of processes.
- 213 Merten Asks if intent is included in those audits.
- 214 Hibner Replies, yes, they look at legislative intent. Says they pick their projects based on risk – describes the process they use.
- 229 Dan Bernstine Concerned if this is an extra layer or not.
- 235 Co-Chair Lattimer Agrees with everybody. Talks about the creation of JLAC and how more staff is needed for LFO to perform effective audits. Says JLAC statute was crafted to get around constitutional issues. Always argued that legislative oversight is a function of the legislature, but the commission is wasting time and money if we're creating a constitutional issue with the SOS. AG's opinions state that the SOS has constitutional authority to set the audit course. Points out no matter what you call this audit function, you need standards. Cites one of the best audit examples is the Office of Program Policy Analysis and Government Accountability (OPPAGA) in Florida (**EXHIBIT C**), but says this type of thing costs money.
- 313 Merten Says poor performance is even more expensive.
- 314 Co-Chair Lattimer Agrees. Discusses why this audit function should be handled as

program evaluation, but also tied to the budget – perhaps another office attached to LFO. Thinks they would want to follow Yellow Book standards. Important to tie this to the budget review with clear standards. Suggests looking at management intent as well as legislative intent. Thinks the intent should be to look at the programs, how they're being managed, whether they're achieving their results, and if the performance is what you think it should be. Says he would be opposed to this piece of statute because it sets up a constitutional battle. Would like to see something along the lines of OPPAGA.

394 Jim Hill Thinks this makes sense. Expresses a need to beef up LFO staff so they could perform the functions that the JLAC was set up to perform. Agrees Florida proposal gets more to the point. Discusses inadequacies of funding legislative support staff so why set up another office; also could see conflicts about who performs this function. Thinks the last thing we need is more politicization of this function.

TAPE 11, B

021 Merten Says he is waiting for Co-Chair Lattimer to make a recommendation about getting the data. Sees the overlap problem – also believes there are times in organizations when you have to advocate for something even though the return is not very favorable.

037 Co-Chair Lattimer Replies he does not know how any recommendation he would make at this time would be received by this group. Notes he used Florida example to illustrate how to avoid constitutional problems. Reiterates this has to be tied to the budget process. Says they tend to budget on the margins so it is important to look at the data. Recommends setting up a separate office in LFO with assistant director for audit functions with strong standards to create credibility.

062 Cease Proposes changing the wording in the draft evaluation to say: Recommend the improvement and better funding of the legislative audit function in LFO with the creation of an office of program policy analysis and government accountability. Feels doing this, and including criteria as previously mentioned, would make the point that the legislature needs to recognize that some funding should be put into this for oversight of state agency performances in legislatively directed policy.

077 Sen. Morse Doesn't want to lose this opportunity – suggests changing the name of JLAC to Joint Legislative Program Policy and Government Accountability which redirects the function. Then take Exhibit A and change the name, but give it the same teeth with subpoena power, etc. to get good data, then we're where we need to be – more focused on program evaluation.

095 Cease Suggests adding “whereas” to make the intent clear.

100 Hill Thinks there is a great deal of integrity and faith in LFO in terms of how they operate. Thinks LFO has the integrity to avoid a lot of politics – thinks that is important if you want to improve things. Agrees there should be a connection to the budget, thus put it in LFO.

120 Co-Chair Seeley Recommends putting in statute that the committee be evenly appointed

- no majority from any one party.
- 136 Co-Chair Lattimer Recommends following Sen. Morse’s lead without getting into the issue of subpoenas.
- 147 Sen. Morse Brings up the issue of how far-reaching this proposal should be – if it pertains to more than just state agencies. Says the message we want to send is one of accountability and this activity needs teeth to get at data.
- 165 Barrows Agrees there should be teeth, but thinks the legislature has subpoena power already so the chair of a new committee would have that ability.
- 190 Co-Chair Seeley Asks for suggestions from commission members.
- 194 Hill Questions if this proposed concept will include the school districts.
- 207 Co-Chair Lattimer Thinks this proposal will cover ALL state dollars.
- 214 Cease Adds state as well as federal dollars authorized by the state – ANY money.
- 219 Weyand Points out Section 2 (2) of this proposal which includes audits of “other state-funded programs” would allow the dollars to be followed.
- 227 Barrows Asks if this would include licensing boards.
- 230 Weyand Says, yes, that is state money.
- 234 Co-Chair Lattimer Discusses the importance of this being tied to the budget function for a policy reason and because of the constitutional issue.
- 245 Pigsley Inquires how this new office will not conflict with the SOS’s audit function.
- 248 Co-Chair Lattimer Replies very carefully.
- 249 Hibner States that he sees merit in this program as an evaluation proposal, but there is still a gray area about what a performance audit covers and what an evaluation covers. Says there should not be redundancy if they stay in communication to avoid overlap.
- 270 Pigsley Says he didn’t answer her question.
- 271 Weyand Responds you are always going to have that question unless you define it and get it resolved; as long as both are communicating in an open process, arguments can be avoided. Says both functions are there to achieve public good, and there is no value in duplicating effort.
- 292 Hill Feels the audit committee has been covered in terms of delineating the functions, but the problem is no resources to have the Audit Committee do its job so beef up LFO. Says JLAC was established to prevent constitutional problems.
- 318 Co-Chair Lattimer Responds JLAC was created by a committee for the purpose of getting around political problems; not sure if they’re doing their job. Suggests creating a program evaluation function dealing with data and analysis and tie it to the budget function, even though it could still end up in court.
- 340 Sen. Morse Asks if there is anything in the constitution that ascribes exclusive responsibility for audits of public accounts to the Secretary of State.
- 346 Weyand Replies that the auditing of public accounts is performed by the SOS.

- 350 Hibner Notes previous exploration of the constitution in this area.
- 361 Sen. Morse Concurs with Mr. Lattimer's proposal of using the term program policy analysis and government accountability rather than auditing definition.
- 367 Merten Includes using Yellow Book standards.
- 369 Weyand Notes a problem putting Yellow Book standards in statute.
- 370 Co-Chair Lattimer Thinks you could say they had to follow professional standards.
- 372 Weyand Agrees.
- 374 Sen. Morse Endorses that language in a recommended bill draft..
- 379 Co-Chair Seeley Clarifies the commission is not here to write bill drafts.
- 381 Taylor Recommends coming up with a general recommendation that this group is moving in this direction and ask for bill drafts after the full commission discussion.
- 388 Cease Suggests changing the wording on the proposal.
- 391 Co-Chair Lattimer Asks if the commission administrator can come up with new language.
- 392 Taylor Replies this committee needs to produce a motion and vote on it so the proposal can be presented to the full commission on August 14.
- 397 Co-Chair Lattimer Moves that the Management and Human Resources Committee recommend to the full commission that they recommend to the Legislature establishment of an Office of Program Evaluation and Public Accountability housed in LFO to conduct program evaluations using professional standards and bipartisan in structure.
- 418 Merten ...to inform the budgeting process of the Legislature.
- 420 Barrows Asks if this is in lieu of the current Audit Committee.
- 425 Cease ...to avoid duplication.
- 429 Co-Chair Seeley Reminds the committee this cannot be adopted until they are in work session.
- 435 Taylor Asks for clarification that this new office would be in place of the Joint Legislative Audit Committee.
- 441 Barrows Yes, a renamed and restructured audit committee.
- 442 Taylor Asks if anything prepared by Mr. Weyand will be used.
- 444 Cease Suggests saying this is what we recommend to do and then a bill is drafted afterwards to do that.
- 445 Taylor Confirms that is what she was saying, but wonders if the committee wants to use anything from the LFO draft (Exhibit B).
- 447 Co-Chair Seeley Recommends using the wording for the state-funded programs portion.
- 450 Weyand Responds you want to give it authority to conduct its work over all state agencies and programs and other state-funded programs.
- 461 Cease Asks if all state programs includes the non-state funds.
- 463 Weyand Indicates that "state-funded" should be defined as anything that gets an appropriation of state money.
- 466 Co-Chair Lattimer Says those dollars go through the State Treasury so they're state dollars.

468 Weyand Agrees with that for purposes of budgeting; they're still state monies.

WORK SESSION ON PROPOSAL #43 – LEGISLATIVE AUDIT FUNCTION

TAPE 12, B

036 Sen. Morse Points out the importance of using the words “program policy analysis” and “government accountability” for this new committee. Points out they did not talk about requesting information – director of new function would have the authority to request documentation and have subpoena power – do we want to add that language?

052 Co-Chair Lattimer If we could get it through the legislature.

053 Sen. Morse Re-iterates there has to be some authority in this proposal.

054 Weyand Notes that if the chair of the oversight committee already has subpoena authority, this issue is covered.

060 Sen. Morse Wants to make sure that existing statutes incorporate the intent of this new body.

063 Co-Chair Seeley Asks if he means existing *audit* committee statutes.

064 Co-Chair Lattimer Responds he thinks he is referring to statutes governing the legislature’s ability to subpoena.

065 Co-Chair Seeley Says that will be clarified before this goes to the full commission.

068 Sen. Morse Wants to make certain this is inclusive of ALL funds – that it goes beyond just state agencies.

072 Weyand Agrees.

074 Taylor Reads new proposal: the committee is recommending that they rename and restructure the Legislative Audit Committee to establish the Office of Program Policy Analysis and Government Accountability within the Legislative Fiscal Office to conduct performance and management evaluations of state agencies...

080 Co-Chair Lattimer Clarifies he said program evaluations.

081 Taylor ...authority to conduct program evaluation

081 Co-Chair Lattimer ...policy analysis and government accountability.

082 Weyand ...program evaluation and reviews and policy analysis

087 Taylor ...authority to conduct program evaluation and review and policy analysis
SOSState agencies ...

088 Weyand ...state agencies programs and all other state-funded programs.
Because state agencies covers the work of the state government.

093 Taylor Continues reading: evaluations will use generally accepted professional standards. The structure of the committee is bipartisan and the purpose is to provide more information for the budgeting process, but the staff has authority to request information similar to the subpoena power.

102 Co-Chair Seeley ...subject to the subpoena power of their chair (assuming that that checks out).

104 Merten Suggests starting out: “With the intent of informing the legislative budgeting process, we are establishing this committee/organization to...

- 108 Co-Chair Lattimer **MOTION: Moves previous language be accepted.**
VOTE: 9-0-0
AYE: In a roll call vote, all members present vote Aye.
- 123 Co-Chair Seeley **The motion CARRIES.**
- 129 Co-Chair Seeley Opens committee discussion on legislator compensation.

COMMITTEE DISCUSSION ON PROPOSAL #7 – LEGISLATOR COMPENSATION

- 135 Co-Chair Seeley Notes information provided by staff (**EXHIBIT D**).
- 143 Taylor Discusses the staffing recommendation found in Exhibit D which revises the public officials compensation commission to have 11 members; describes the background requirements. Notes salary recommendations. Describes intent of basic job description for legislators. Points out the narrative before the recommendation focuses on the public service aspect of being a legislator.
- 186 Merten Recommends saying a background in compensation management instead of personnel management. Questions what is being sent forward – seems like we miss finding the balance between a California-type solution and the current Oregon solution.
- 207 Co-Chair Seeley Wonders if the narrative should be included as a preamble.
- 211 Merten Suggests adding “willing to serve for the public good” at the end of the last sentence of the first paragraph under Recommendation. Hopes to capture the balance they had discussed earlier.
- 231 Co-Chair Seeley Suggests using the last sentence of the first paragraph; reads language.
- 239 Bernstine Fears that is implying there should be term limits and the legislature should be part-time.
- 244 Barrows Expresses concern that using the phrase “soon return to private life” implies the same thing.
- 250 Taylor Indicates she will cross out “soon” in the second paragraph.
- 253 Merten Discusses the “personal sacrifice” in the same sentence and how that won’t be the same for all people in financial terms.
- 262 Barrows Suggests changing “is” to “may” be a personal sacrifice.
- 270 Merten Thinks the last sentence of the first paragraph should be put in the Recommendation section.
- 272 Bernstine Recommends putting a period after “financial backgrounds” in the second sentence of the second paragraph.
- 278 Co-Chair Seeley Suggests adding the second sentence of the second paragraph to the end of the first paragraph.
- 291 Cease Confused where changes are occurring.
- 295 Co-Chair Seeley Questions what is happening to the first sentence of the second paragraph.
- 315 Cease Suggests numbering the paragraphs as they are being changed.
- 323 Co-Chair Seeley Begins reading proposed language under the heading Recommendation. Reads first paragraph and then adds last sentence of first paragraph as well as the second paragraph ending the second sentence after financial

- backgrounds. Then picks up the next paragraph under the heading Recommendation.
- 326 Merten Asks if the positions being discussed for this commission are all elected – the Executive Branch – because there are positions in the Executive Branch that are career positions and ought to be paid competitively.
- 328 Bernstine Thinks it should say that people ought to be paid according to their duties. Comments that some judges and legislators make that profession their careers.
- 336 Merten Says this doesn't eliminate that possibility.
- 337 Bernstine But it implies that we're thinking shorter term rather than not thinking about term at all.
- 339 Co-Chair Seeley Recommends eliminating "and not meant to be long-term careers" from the end of the first paragraph.
- 349 Cease That's fine.
- 350 Bernstine Ok.
- 352 Co-Chair Lattimer Asks, under Salaries Set by the Commission, are all of these positions currently in statute.
- 357 Co-Chair Seeley No.
- 357 Co-Chair Lattimer Does not agree that District Attorney (DA) should be included there.
- 358 Cease Says it's in the bill, but not the current statute; reads statute.
- 370 Merten Asks why the DA is included.
- 371 Co-Chair Seeley Explains that the DA's salaries are set by the legislature, but supplemented by the counties.
- 378 Sen. Morse Inquires why Mark Nelson made this recommendation.
- 384 Bill Linden Representing the Circuit Court Judges Association and the Appellate Court Judges Association. Provides insight into why this recommendation was structured in this way – found that impediments to adequate compensation for judges applied to other state-elected officials – like district attorneys. Therefore, brought in all statewide elected officials. Even though DAs compensation is shared by the state and county, they couldn't think of a reason to exclude DAs.
- 427 Co-Chair Lattimer Cites the difference in workload for a DA in Harney County vs. Marion County. Questions if salaries for DAs would be set county-by-county or would they all make the same amount.
- 444 Linden Responds that differentiation would be made based on the size of staff being supervised, the caseload, etc. like a step system.

TAPE 13, A

- 028 Hill States he needs to know criteria – population , caseload, etc. – to make an informed decision. Also, is the DA going to be the highest paid person in that office because some assistant DAs make more than the DA.
- 050 Linden Suggests contacting the Oregon District Attorneys Association (ODAA) to see how this has been done in the past. Says Brad Berry, Yamhill County District Attorney, is president (or past) of ODAA.

- 057 Sen. Morse Questions if the commission can mandate this type of thing, thus binding local jurisdictions because the DAs share funding between the state and county.
- 064 Linden Replies that a proposal would need to have language such as “subject to state appropriation as well as local appropriation.”
- 078 Merten Recommends leaving DAs out of this proposal.
- 088 Co-Chair Lattimer Points out that Marion County has a salary compensation committee made up of private citizens that sets DAs salary.
- 098 Linden Responds he can’t say today that the DAs want to be in this bill, but will inquire and get back to staff.
- 103 Co-Chair Seeley Wants today to be the last meeting of this subcommittee, but this issue will come before the full commission.
- 109 Sen. Morse Notes the need for a binding finding of this commission subject only to appropriation so that what was recommended would be implemented.
- 118 Merten Agrees; says take it out of politics.
- 119 Sen. Morse Asks what affect does that have on the binding nature for DAs and local jurisdictions.
- 123 Co-Chair Seeley Proposes looking at revised language in 15 minutes, go into work session at that time, and move ahead.
- 135 Cease Wants to make sure all issues are dealt with before final language.
- 139 Barrows Recommends putting a period after “odd-numbered years” in the second bullet on the bottom of page 2, and deleting the third bullet.
- 151 Co-Chair Seeley Asks where that leaves us legally.
- 152 Barrows Replies it is binding, subject to appropriation.
- 155 Cease Says this puts the commission in charge, subject to appropriation.
- 160 Barrows Thinks Judges should be plural on the list of salaries set by the commission.
- 166 Cease Suggests taking off the list of specific leadership positions and having it just say “Members of the Legislative Assembly.”
- 171 Co-Chair Seeley Agrees the listing looks like it’s only referring to those members, but would add to the list rather than remove anything.
- 174 Merten Recommends putting “Legislative Assembly” as the main heading with “Members” as a sub bullet point.
- 178 Barrows Asks who staffs the Public Officials Compensation Commission.
- 181 Co-Chair Seeley Wonders who currently staffs this function.
- 184 Linden Replies it is the Department of Administrative Services (DAS).
- 187 Taylor Inquires if that is what this proposal should say.
- 189 Co-Chair Seeley Ok.
- 190 Merten Asks if the DAs are in or out; suggest we throw them out.
- 195 Co-Chair Lattimer Comments that they add a complexity to the issue.
- 196 Barrows Says they could still be included at the full commission meeting 8/14.

199	Cease	States this is already addressed in ORS 8.830.
203	Linden	Says another option would be to limit it to the state portion of their salary that is paid.
207	Co-Chair Lattimer	Feels the state should pay for it all.
210	Bernstine	Still not convinced the DAs should be included on this list because there is too much disparity between the counties.
215	Barrows	Notes he is for taking them off the list subject to the information that Mr. Linden brings back to the committee.
217	Cease	Explains she is not clear on the total membership of the commission.
224	Barrows	Answers it is 11 or more, with six members from Congressional districts and one member at-large selected by the Secretary of State.
234	Co-Chair Seeley	Says the intent is to have the majority on the commission be public members.
242	Sen. Morse	Discusses criteria, in terms of voting, that he feels are important.
250	Barrows	Notes the criteria listed: must have voted in the last two general elections.
253	Sen. Morse	Says that takes care of it – withdraws his concern.
258	Co-Chair Seeley	Recesses the committee at 11:15 a.m. for 15 minutes.
260	Co-Chair Lattimer	Reconvenes at 11:31 a.m.
262	Taylor	Explains new draft compensation recommendation (EXHIBIT E).
282	Cease	Says she can't find a sentence from the second paragraph of old draft.
292	Taylor	Responds that it is now in the sixth paragraph.
296	Bernstine	Expresses his dislike of the first two sentences.
305	Sen. Morse	Agrees first sentence doesn't work.
308	Bernstine	Suggests taking out the first two sentences and combining the third sentence into the next paragraph.
318	Taylor	Reads new paragraph language.
329	Co-Chair Lattimer	Asks if people are comfortable with that.
330	Barrows	Yes.
331	Sen. Morse	Suggests adding something about the obligations of personal careers or personal lives to the last sentence of this new language.
344	Taylor	Reads where language would fit.
348	Sen. Morse	Ok.
350	Barrows	Recommends changing "have made" to "make" in the first sentence of the new language.
359	Cease	Last paragraph on first page – last sentence – change "that" to "who" must maintain two residences...
378	Sen. Morse	Doesn't like the wording of the first sentence of the fourth paragraph.
393	Taylor	Reads proposed change.
396	Sen. Morse	Recommends saying an increase "in" legislative salary, not "from."

- 404 Hill Commends Marjorie on her ability to make these adjustments so quickly.
- 409 Co-Chair Lattimer Opens a work session on proposal #7.

WORK SESSION ON PROPOSAL # 7 – LEGISLATOR COMPENSATION

- 413 Merten **MOTION: Moves the draft on legislator compensation be adopted as revised.**
VOTE: 9-0-0
AYE: In a roll call vote, all members present vote Aye.
- 415 Co-Chair Lattimer **The motion CARRIES.**
- 425 Bernstine Announces he must leave the committee meeting by telephone.

TAPE 14, A

COMMITTEE DISCUSSION ON STAFFING OF LEGISLATIVE OFFICES

- 020 Co-Chair Lattimer Notes the staffing recommendations presented by staff (**EXHIBIT F**). Comments that he has always felt that LFO, LRO, and Legislative Counsel are understaffed.
- 034 Merten Suggests an independent review process to determine staffing levels.
- 047 Co-Chair Lattimer Asks if he has any recommendations for this process.
- 048 Merten Replies he doesn't know enough about the current process to make that determination.
- 049 Co-Chair Lattimer Indicates it is currently left up to legislative committees and leadership.
- 050 Merten Questions why staff has not been hired if it is needed.
- 051 Co-Chair Seeley Responds there is no money.
- 053 Merten Asks how a recommendation to hire more staff would solve anything.
- 054 Barrows Expresses concern that the first four paragraphs sound like they're triggered by the notion of annual sessions, and if leadership decides not to go to annual sessions, then this is moot.
- 059 Co-Chair Lattimer Thinks they need more staffing in any case.
- 061 Sen. Morse Feels the policy and research staff is a valid issue in either case. Asks if these issue area experts could be within the proposed Legislative Program Policy and Government Accountability Committee.
- 072 Co-Chair Lattimer Points out that LFO would be staffing this new committee and would not be appropriate to staff the legislature too.
- 082 Cease Suggests putting the fourth paragraph as the beginning paragraph.
- 088 Co-Chair Lattimer Talks about the need for additional staff which will be even more imperative if we go to annual sessions.
- 096 Cease Recommends adding another paragraph about whether or not the legislature goes to annual sessions, there is a need for better staffing.
- 105 Co-Chair Lattimer Proposes saying "additional" staffing instead of "better" staffing.
- 107 Co-Chair Seeley Suggests encouraging LFO, LRO and Counsel to do an evaluation and, if additional staff is necessary, come forward during the session with policy option packages.

- 118 Merten Responds they need some kind of process to determine this.
- 119 Cease Expresses frustration she experienced, during her time in the legislature, when unusual demands were placed upon staff.
- 132 Co-Chair Seeley Clarifies that the budgets for LFO, LRO and Legislative Counsel are independent and do not go through Legislative Administration.
- 138 Co-Chair Lattimer Replies that LFO, LRO, LC, LAC and the assembly all have separate budget bills that go to the legislature.
- 146 Dave Henderson Legislative Administrator. States that each has a separate budget, but they are rolled into one budget bill for the entire legislative branch.
- 150 Co-Chair Seeley Reiterates her suggestion that each agency do an evaluation and come forward with necessary staffing levels based on their mission to serve the public, the institution and the legislators.
- 152 Merten Says justification is necessary to increase staff.
- 158 Sen. Morse Thinks machinery is in place to adapt to changing conditions with respect to LFO, LRO and Counsel, but what do we do with the policy?
- 165 Co-Chair Seeley Asks if the committee is voting on these individually.
- 166 Co-Chair Lattimer Suggests going through all and see where we are.
- 170 Sen. Morse Questions if we want to create another legislative agency for policy and research or leave it under LAC with more capacity for policy experts.
- 179 Henderson Replies he is open to do whatever the legislative assembly wants to do.
- 189 Sen. Morse Asks which model would function the best.
- 191 Henderson Says there is concern that the existing model is not working so starting with a new model is a fresh approach to take.
- 200 Co-Chair Seeley Says the driving issue is the goal of how they're hired – pull out the six leadership offices to insulate staff from the constant push & pull, plus the need to develop expertise in particular issue areas.
- 219 Sen. Morse Asks if there is any anticipation that these policy issue experts would be committee administrators.
- 225 Co-Chair Seeley Comments that some of the current committee folks would like to do more issue work and get out from under the administrative part; function like someone in LFO dealing with analysis and issue work.
- 247 Barrows Inquires if any conclusion was reached last time we talked about this – a concrete recommendation made earlier? Talked about subject-matter experts assigned to bills – was that just talk or a decision made?
- 260 Co-Chair Seeley Her memory is a discussion with no official decision being reached.
- 263 Cease Thought there was general agreement after the discussion.
- 267 Co-Chair Lattimer Recalls a rather lengthy discussion about the role of these folks – thought they would not be committee administrators, but policy people. Wonders how they would interact with the committee if not administrators. Notes LFO analysts now sit with the committee.
- 284 Barrows Contends that multiple LFO analysts might sit in a subcommittee meeting; thinks it would be the same here.
- 290 Co-Chair Lattimer Ok, but still need a person there to make sure the train runs on time.

292	Co-Chair Seeley	Yes.
293	Cease	Thought that person was to be the other committee person.
296	Co-Chair Seeley	Yes, committee staff. Says Marjorie tried to give clarity to the last discussion and thinks that piece is included in Exhibit F.
317	Cease	Says there has to be somebody responsible for making sure the legal responsibilities of committee operations are accurate and on time, etc.
336	Co-Chair Lattimer	As well as a person to work with the chair to set the agenda.
338	Cease	Agrees; expounds on that person's responsibilities.
351	Ramona Kenady	Chief Clerk of House of Representatives. Agrees with Dave, no matter what recommendation, we will make any model successful. Says the model used by LFO and LRO is something to aspire to, but there you are dealing with only one committee. Talks about challenges to staff when trying to schedule the same people at the same time for both chambers.
406	Kenady	Discusses how policy experts brought in as non-partisan would be helpful – cites old research staff – which became the committee staff. Talks about the importance of committee staff because committee chairs change almost every session in the House. Gives examples of committee set up and referral and the subsequent scheduling problems of committee staffing. Talks about committee staff being put under LAC in 1985 and the clerical support staff being under the Clerk and Secretary's office. Mentions NCSL report that indicates things are working well in Oregon. Suggests crafting a proposal that is flexible and with the right adjectives to provide guidance.

TAPE 13, B

025	Cease	Asks if the Chief Clerk and the Secretary of the Senate keep track of measures assigned to committees.
030	Kenady	Explains role of the Clerk and the Secretary is to make sure that the constitutional requirements and everything set out in rule is being done and done correctly. Explains that the referrals are made by leadership, but the Clerk and the Secretary send out notice of those referrals. Says the old jurisdictional rules would have made this decision easier.
042	Cease	Inquires when a bill is delivered from the Clerk's hands to a committee, who is responsible for making sure the committee complies with all legal requirements as well as the rules of the House or Senate.
050	Kenady	Replies Constitution and House & Senate rules are set up to provide for the most open and deliberative process within the committees – giving notice, recording the proceedings and producing a tape log.
058	Cease	What about the material that goes into the Archives?
059	Kenady	Replies that is the committee assistant's responsibility, but it is a team.
063	Cease	Inquires who the committee assistants report to.
064	Kenady	Replies they report to Committee Services which is under the umbrella of LAC. Tells who reports to whom.
076	Cease	Says we need to make sure that the constitutional and legal requirements are covered, in addition to issue-area expertise.

- 084 Co-Chair Lattimer Discusses the problem of not enough committee staff and no way to keep leadership and committee chairs from getting involved in how the committees are staffed.
- 094 Cease Says they could staff committees from a pool of experts who are reviewed and vetted by Legislative Administration, which has worked in the past.
- 096 Sen. Morse Brings up the issue of using policy staff in a partisan fashion (like in current leadership offices) or focusing resources into non-political issue areas. He's opposed to adding more policy people with current models.
- 107 Co-Chair Lattimer States he would take the resources from the caucus offices and put them into a nonpartisan staff.
- 113 Cease Says, if you talk to the public about what a bad idea it is to have public resources being used to educate candidates for office instead of being used for the general public's good, then I think you have a good point. Indicates she does not have a problem taking them and putting them where they belong.
- 118 Co-Chair Seeley Responds that is not what the caucus office does. States these are state employees, and they are not breaking the law, as implied. Explains what caucus staff is trying to do by educating their members.
- 128 Cease Asks if they are also doing research on issues.
- 129 Co-Chair Seeley Responds, yes; they put out policy papers.
- 130 Sen. Morse Reiterates his previous question – which way is in the best public good or is it both.
- 133 Merten Asks what is preventing the legislature from managing this more effectively that we could make a recommendation about – it's already within their purview, right?
- 141 Co-Chair Lattimer It certainly is.
- 142 Merten So what kind of recommendation, that is different than more numbers, could we make that would give them permission or put pressure on.
- 144 Cease Says she would rather see resources go into a pool of policy expertise rather than separate policy offices based on party affiliation.
- 158 Sen. Morse Describes how the nature of caucus staff is to serve the caucus interests which is a political function.
- 170 Co-Chair Lattimer Believes caucus offices are small by nature and don't possess a lot of issue expertise within that staff so it is up to the legislature if they need this help. Says legislators today need more help.
- 177 Cease Discusses the need for additional staff, especially if the legislature goes to annual sessions. Suggests looking at the uses of caucus staff to see if those positions are needed. Indicates there needs to be sufficient staff in standard issue areas that the legislature always has to deal with.
- 197 Co-Chair Lattimer Wonders about the support that minorities receive from both parties.
- 201 Pigsley Notes Co-Chair Seeley's response to an earlier accusation; would like to know more about what she said.
- 206 Co-Chair Lattimer Gives his interpretation: that people misunderstand the role of the caucus staff and that they do follow all the rules – they don't engage in

campaigning if they are on the state payroll – they get off the payroll.

210 Cease Concurs they do that.

211 Co-Chair Lattimer Continues that he has talked to majority and minority leaders and they strongly advocate for their caucus staffs and the support they provide their members to stay elected.

217 Cease Notes that other staff help members during elections who are not on the state payroll.

221 Co-Chair Lattimer Observes there is a recommendation on LFO, LRO, Legislative Counsel and committee staffing, but not on caucus staffing. Wonders if an agreement can be reached on these areas.

237 Taylor Suggests talking about legislative assistants (LAs) and then coming back to the previous recommendation.

240 Henderson Gives background on the legislative assistant position. Indicates that funds are allocated to each legislative office (based on the positions of secretary and legislative assistant in the budget) and the legislator chooses how those funds are spent. States there is no documentation for initially setting the salary at \$600, but for 2007 the secretary position is budgeted at \$2089/month and the LA position at \$2393/month.

280 Co-Chair Lattimer Asks if those are year-round salaries.

281 Henderson Replies those are session salaries.

284 Barrows Inquires if there is anything in this area that the committee ought to do.

293 Henderson Responds that what makes for a successful relationship is the “trust” factor between the legislator and the staff person.

300 Co-Chair Lattimer States the issue is more about the staff person being full-time or part-time.

303 Henderson Agrees. Says the LAs feel their job is full-time for 24 months.

316 Sen. Morse Asks if this discussion is in response to perceived abuses that have occurred recently.

324 Taylor Notes the bolded and underlined statement at the top of page 2 of Exhibit E that the recommendation is a starting point for discussion. Indicates some of the recommendation is based on recent controversy and the issue of nepotism that will be discussed at the 8/14 meeting.

335 Merten Suggests having the recommendation deal solely with the issue of full-time vs. part-time staffing.

342 Cease Asks if they should leave off the last portion of the second paragraph after the first sentence.

349 Co-Chair Lattimer Clarifies they would be using the first sentence of the second paragraph and deleting everything else.

353 Cease Replies, yes; because that would remove interfering with the personal comfort level of the legislators.

354 Co-Chair Lattimer Supports that decision.

362 Pigsley Questions the numbers used in the first sentence.

- 363 Taylor Explains those figures illustrate the representation of each legislative district – 57,000 in the House and 114,00 in the Senate. Says these figures were used when the last redistricting occurred.
- 370 Barrows Wants to amend the first sentence from “will be a need” to “is” a need...and end the sentence after Revenue Offices because of the testimony heard regarding understaffing.
- 387 Co-Chair Lattimer Suggests adding that directors of agencies should bring forward proposals for additional staffing.
- 392 Barrows Agrees.
- 393 Taylor Asks if the recommendation is going to be about current staffing levels or levels if annual sessions are adopted.
- 400 Co-Chair Lattimer Says testimony indicated there should be more staff whether annual sessions are adopted or not.
- 403 Barrows And that additional staff may be required if annual sessions are initiated in 2008.
- 405 Merten Adds that the agencies should bring forth recommendations based on duties, measures and performance.
- 412 Co-Chair Lattimer Sounds good.
- 415 Taylor Asks if those are the policy option packages from Legislative Counsel, LFO, LRO and Legislative Administration that would be presented to the Legislature for their consideration.
- 419 Barrows Yes.
- 420 Sen. Morse Believes it is important that we include the testimony that was given which shows there are consequences (like the need for additional staffing) if we go to annual sessions.
- 429 Merten Notes that is consistent with duties and responsibilities as well as measures and performance.
- 432 Co-Chair Lattimer Asks if there is any agreement on committee staffing. Talked about the need for more policy expertise, but don’t know where they’ll be housed. Indicates you could have separate policy staff that worked with the committees, but weren’t committee administrators.

TAPE 14, B

- 030 Sen. Morse Questions if the issue experts in the Clerk and Secretary’s office would be doubling up.
- 033 Co-Chair Lattimer Responds that the Clerk’s and Secretary of Senate’s offices are ministerial; they are not in the business of staffing policy committees. Says the policy expertise shouldn’t be under the Clerk and Secretary.
- 044 Cease Feels the real need is making sure there is adequate staff to keep the public apprised.
- 052 Barrows Recalls previous testimony that the current system is less than perfect. Brings up issue of Janet Adkins with expertise in transportation who went with a committee chair rather than stay with her area of expertise.
- 064 Cease Suggests following the same model as LFO and LRO with experts in a particular policy area.

- 070 Co-Chair Lattimer Replies the committee could make that recommendation without making a recommendation of how to organize it.
- 071 Cease States the goal is to have expertise available for a particular committee.
- 075 Merten Suggests wording that recommends the assignments get administered in a way that conserves area expertise for the various committees.
- 079 Co-Chair Lattimer Contends they were talking about principles: professionalism, continuity, stability, non-partisan and non-political; and perhaps that's as far as any recommendation can go.
- 085 Hill Maintains it is the committee's responsibility to make recommendations, whether the legislature accepts them or not. Concurs the five goals are good and can be recommended.
- 101 Merten Suggests adding personnel processes after "insulate staff" to add clarity.
- 107 Taylor Clarifies that the committee is accepting everything except paragraph three under Issue Area and Committee Staffing.
- 108 Cease Yes.
- 108 Barrows Yes.
- 110 Sen. Morse Recommends keeping the first sentence of the third paragraph and then folding in the fourth paragraph with the five goals.
- 118 Co-Chair Lattimer Asks if he wants to keep the first sentence and get rid of everything else.
- 119 Sen. Morse Yes. Then fold the next sentence in with the five objectives .
- 124 Co-Chair Lattimer ...should be organized in order to achieve the five goals.
- 125 Sen. Morse Responds affirmatively.
- 126 Co-Chair Lattimer Asks if the committee agrees with that.
- 127 Barrows *and others* respond yes.
- 128 Taylor Indicates Counsel, Fiscal and Revenue are done after she adds the piece that additional staffing is needed whether or not you change session structure, and that the legislative directors of LFO, LRO and Leg Counsel bring policy option packages to the next legislative assembly reflecting on their staffing needs. Says for committee staffing: delete most of paragraph three, but tie first sentence to the last paragraph. For legislative assistants: keep the first paragraph and the first sentence of the second paragraph. States she will make these changes and send it to members.
- 141 Co-Chair Lattimer Opens work session.

WORK SESSION ON PROPOSALS # 9, 24, 42, 52, 29, 4, 62, 63, 22 & 58 – STAFFING OF LEGISLATIVE OFFICES

- 142 Barrows **MOTION: Moves the previous language as read by Committee Administrator Taylor**
- 144 Taylor Confirms that this recommendation applies to all of the proposals except for # 24, 22, and 58.

- 147 Co-Chair Lattimer Replies yes.
VOTE: 7-0-2
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: Bernstine, Seeley
- 155 Co-Chair Lattimer The motion CARRIES.
- 163 Cease **MOTION: Moves no further action be taken on proposals #24, 22 and 58.**
VOTE: 7-0-2
AYE: In a roll call vote, all members present vote Aye.
EXCUSED: Bernstine, Seeley
The motion CARRIES.
- 170 Co-Chair Lattimer
- 172 Co-Chair Lattimer Indicates the business of this committee is finished.
- 173 Taylor Describes the changes she will make and send out to this committee before it is presented to the full commission on August 14. She will then take into consideration any further suggested changes and proceed from there.
- 179 Co-Chair Lattimer Adjourns the meeting at 12:50 p.m.

EXHIBIT SUMMARY

- A. Proposal # 43 – Legislative Audit Function, staff, 1 p**
- B. Proposal # 43 – Legislative Audit Function, Dallas Weyand, 2 pp**
- C. Proposal # 43 – Legislative Audit Function, OPPAGA office, John Lattimer, 20 pp**
- D. Proposal #7 – Legislator Compensation, staff, 3 pp**
- E. Proposal #7 – Legislator Compensation, version 2, staff, 3 pp**
- F. Proposals #9, 42, 52, 29, 4, 62, 63 – Staffing of legislative offices, staff, 2 pp**