

D R A F T

SUMMARY

Changes membership of Public Officials Compensation Commission. Requires commission to establish salaries of specified elective officers and members of Legislative Assembly. Provides that, subject to appropriation, salaries established by commission take effect unless Legislative Assembly passes bill rejecting or amending salaries.

Takes effect only if constitutional amendment proposed by _____ Joint Resolution _____ (LC 1566-1) (2007) is approved by people at special election held on same date as next primary election. Takes effect on effective date of _____ Joint Resolution _____ (LC 1566-1) (2007).

A BILL FOR AN ACT

1
2 Relating to Public Officials Compensation Commission; creating new pro-
3 visions; amending ORS 8.690, 8.790, 8.852, 171.072, 292.430, 292.907, 292.912,
4 292.917 and 292.930; repealing ORS 292.313, 292.405, 292.410, 292.415,
5 292.425 and 292.920; and prescribing an effective date.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** ORS 292.907 is amended to read:

8 292.907. (1) There is established a Public Officials Compensation Com-
9 mission consisting of [*seven*] **11** members [*of whom two are appointed by the*
10 *Governor, two by the Speaker of the House of Representatives, two by the*
11 *President of the Senate and one by the Chief Justice of the Supreme Court of*
12 *the State of Oregon.*] **appointed or selected as follows:**

13 **(a) Two members who have a background in compensation man-**
14 **agement, appointed by the Governor, subject to confirmation by the**
15 **Senate under ORS 171.562 and 171.565;**

16 **(b) One member appointed by the Chief Justice of the Supreme**
17 **Court;**

1 (c) One member appointed by the President of the Senate;

2 (d) One member appointed by the Speaker of the House of Repre-
3 sentatives; and

4 (e) Six members selected by lot by the Secretary of State in the
5 manner described in section 3 of this 2007 Act.

6 (2) The term of office of each member is four years. A member is eligible
7 for reappointment **or** **reselection**. If there is a vacancy for any cause, the
8 [appointing] authority having made the appointment **or** **selection** of the
9 member representing the vacancy[,] shall make an appointment **or** **selection**
10 to become immediately effective for the unexpired term.

11 (3)(a) [No person] **Neither an individual** who holds an office or position
12 the salary of which is subject to ORS 292.907 to 292.930 [shall be] **nor an**
13 **immediate family member of the individual** is eligible to serve on the
14 commission.

15 (b) As used in this subsection, "immediate family member" means
16 an individual related by blood, marriage or adoption to the individual
17 who holds an office or position the salary of which is subject to ORS
18 292.907 to 292.930.

19 (4) To be eligible to serve on the commission, an individual must
20 have voted in the two general elections held immediately before the
21 individual's appointment, reappointment, selection or reselection.

22 **SECTION 2.** Section 3 of this 2007 Act is added to and made a part
23 of ORS 292.907 to 292.930.

24 **SECTION 3.** (1) The Secretary of State shall select by lot from
25 elector registration records six persons for membership on the Public
26 Officials Compensation Commission. The Secretary of State shall se-
27 lect one elector from each congressional district and one elector from
28 the state at large.

29 (2) The Secretary of State shall adopt rules concerning the method
30 by which electors are selected by lot. The rules shall include but are
31 not limited to:

1 (a) Procedures for notifying the electors selected;

2 (b) Procedures for making a new selection by lot if an elector who
3 is selected declines to serve on the commission; and

4 (c) Procedures for filling a vacancy on the commission if a selected
5 member does not complete the member's term.

6 **SECTION 4.** (1) Notwithstanding the term of office specified in ORS
7 292.907, the term of office of each member of the Public Officials
8 Compensation Commission on the effective date of this 2007 Act ex-
9 pires on the effective date of this 2007 Act.

10 (2) A member whose term of office expires as provided in subsection
11 (1) of this section is eligible for reappointment or selection to the
12 commission.

13 (3) New members shall be appointed or selected to serve on the
14 commission on or after the effective date of this 2007 Act.

15 (4) Notwithstanding the term of office specified in ORS 292.907, of
16 the members first appointed or selected to serve on the commission
17 after the effective date of this 2007 Act:

18 (a) Two shall serve for terms ending January 1, 2009;

19 (b) Three shall serve for terms ending January 1, 2010;

20 (c) Three shall serve for terms ending January 1, 2011; and

21 (d) Three shall serve for terms ending January 1, 2012.

22 **SECTION 5.** ORS 292.912 is amended to read:

23 292.912. (1) The Public Officials Compensation Commission shall review
24 and [*make recommendations to the Legislative Assembly regarding*] **establish**
25 the **annual** salary of each **elective** officer subject to ORS 292.907 to 292.930
26 and [*all compensation of members*] **of each member** of the Legislative As-
27 sembly for the succeeding biennium.

28 (2) [*Such recommendations shall be*] **The commission shall establish the**
29 **salaries** based upon the following criteria:

30 (a) Comparable positions in neighboring states.

31 (b) The qualifications and skills necessary for each office.

1 (c) The level of responsibility implicit in each office.

2 (d) The cost of living.

3 (e) The total compensation of the positions, including benefits other than
4 salary.

5 (f) Budget limitations.

6 (g) Any other factors the commission may consider to be reasonable, ap-
7 propriate and in the public interest.

8 *[(3) The commission shall cause to have prepared legislative measures that*
9 *would implement the commission's recommendations on salaries of officers*
10 *subject to ORS 292.907 to 292.930 and all compensation of members of the*
11 *Legislative Assembly for the succeeding biennium.]*

12 **(3) The commission shall meet on or before September 1 of each**
13 **even-numbered year to review and establish the salaries. The com-**
14 **mission may meet at other times as the commission determines nec-**
15 **essary to carry out its duties. On or before October 31 of each**
16 **even-numbered year, the commission shall complete a report that lists**
17 **the salaries established by the commission and send the report to the**
18 **Governor, the President of the Senate, the Speaker of the House of**
19 **Representatives and the Chief Justice of the Supreme Court.**

20 **(4) Subject to an appropriation made by law, the salaries established**
21 **by the commission take effect on July 1 of the odd-numbered year**
22 **following the completion of the report described in subsection (3) of**
23 **this section unless, by May 1 of that odd-numbered year, the Legisla-**
24 **tive Assembly passes a bill rejecting or amending the salaries and the**
25 **bill is enacted and takes effect on or before July 1 of that odd-**
26 **numbered year. However, pursuant to section 1, Article VII**
27 **(Amended) of the Oregon Constitution, the salaries of the Chief Jus-**
28 **tice of the Supreme Court and other judges may not be diminished**
29 **during the term for which they are elected.**

30 **SECTION 6. ORS 292.917 is amended to read:**

31 **292.917. (1) The Public Officials Compensation Commission shall select**

1 one of its members as chairperson and another as vice chairperson, for such
2 terms and with **such** duties and powers necessary for the performance of the
3 functions of [*such*] **the** offices as the commission determines.

4 (2) A majority of the members of the commission constitutes a quorum for
5 the transaction of business.

6 (3) **If a quorum is present when a vote is taken, the affirmative vote**
7 **of a majority of the members present is required for the commission**
8 **to establish salaries under ORS 292.912.**

9 [*(3) The commission shall meet as frequently as the proper and efficient*
10 *discharge of its duties may require.*]

11 (4) A member of the commission [*shall be*] is eligible for compensation
12 and expenses under ORS 292.495.

13 (5) The [*Personnel Division*] **Oregon Department of Administrative**
14 **Services** shall assist the [*Public Officials Compensation*] commission in car-
15 rying out its functions.

16 **SECTION 7.** ORS 292.930 is amended to read:

17 292.930. **Subject to an appropriation made by law**, each of the follow-
18 ing elective officers shall be paid an annual salary on a monthly basis as
19 [*determined by the Legislative Assembly*] **established under ORS 292.912**
20 each biennium beginning July 1, [*1985*] **2009**:

21 (1) Governor.

22 (2) Secretary of State.

23 (3) State Treasurer.

24 (4) Attorney General.

25 (5) Superintendent of Public Instruction.

26 (6) Commissioner of the Bureau of Labor and Industries.

27 (7) **Chief Judge of the Court of Appeals.**

28 [(7)] (8) Court of Appeals Judge.

29 (9) **Chief Justice of the Supreme Court.**

30 [(8)] (10) Supreme Court [*Justice*] **Judge.**

31 [(9)] (11) Circuit Court Judge.

1 [(10)] (12) Tax Court Judge.

2 (13) District attorney.

3 **SECTION 8.** ORS 171.072 is amended to read:

4 171.072. (1) A member of the Legislative Assembly shall receive for ser-
5 vices an annual salary **established under ORS 292.912.** [*of the greater of:*]

6 [(a) *One step below the maximum of Salary Range 1 in the Management*
7 *Service Compensation Plan in the executive department as defined in ORS*
8 *174.112; or]*

9 [(b) *Seventeen percent of the salary of a Circuit Court Judge.*]

10 (2)(a) The President of the Senate and the Speaker of the House of Rep-
11 resentatives each shall receive for services, as additional salary, an amount
12 equal to the [*sum*] **salary** allowed each of them as a member under sub-
13 section (1) of this section.

14 (b) **The majority leader and minority leader of the Senate and the**
15 **majority leader and minority leader of the House of Representatives**
16 **each shall receive for services, as additional salary, an amount deter-**
17 **mined by the Public Officials Compensation Commission.**

18 (3) A member of the Legislative Assembly shall receive, as an allowance
19 for expenses not otherwise provided for, a per diem determined as provided
20 in subsection (9) of this section for each day within the period that the
21 Legislative Assembly is in session, to be paid with the salary provided for
22 in subsection (1) of this section. Pursuant to procedures determined by the
23 Legislative Administration Committee, a member may draw from an accrued
24 allowance.

25 (4) A member of the Legislative Assembly shall receive, as an allowance
26 for expenses incurred in the performance of official duties during periods
27 when the legislature is not in session, \$400 for each calendar month or part
28 of a calendar month during those periods, to be paid monthly, and subject
29 to approval of the President of the Senate or Speaker of the House of Rep-
30 resentatives, mileage expenses and a per diem determined as provided in
31 subsection (9) of this section for each day a member is engaged in the busi-

1 ness of legislative interim and statutory committees, including advisory
2 committees and subcommittees of advisory committees, and task forces and
3 for each day a member serves on interstate bodies, advisory committees and
4 other entities on which the member serves ex officio, whether or not the
5 entity is a legislative one.

6 (5) In addition to the mileage and per diem expense payments provided
7 by this section, a member of the Legislative Assembly may receive re-
8 imbursement for actual and necessary expenses, subject to approval by the
9 President of the Senate or Speaker of the House of Representatives, for leg-
10 islative business outside of the state.

11 (6) The President of the Senate and **the** Speaker of the House of Repre-
12 sentatives may delegate to the chairpersons of interim and statutory com-
13 mittees and task forces the approval authority granted to *[them]* **the**
14 **President and Speaker** by subsection (4) of this section, with respect to
15 expenses incurred in attending any meeting of a particular committee or task
16 force.

17 (7) Amounts received under subsections (3) to (5) of this section are ex-
18 cluded from gross income and expenditures of the amounts are excluded in
19 computing deductions for purposes of ORS chapter 316. If there is attached
20 to the personal income return a schedule of all ordinary and necessary
21 business expenses paid during the tax year as a member of the Legislative
22 Assembly, a deduction may be claimed on the return for legislative expenses
23 paid in excess of the amounts received under subsections (3) to (5) of this
24 section. Expenses of members of the Legislative Assembly *[that]* **who** are
25 reimbursed by the state for actual expenses for meals and lodging associated
26 with state travel for the same period during which a legislator receives per
27 diem *[is]* **are** subject to state income tax.

28 (8) For periods when the Legislative Assembly is not in session, the Leg-
29 islative Administration Committee shall provide for a telephone and an ex-
30 pense allowance for members of the Legislative Assembly that is in addition
31 to the amount allowed under subsection (4) of this section. In determining

1 the amount of allowance for members, the committee shall consider the ge-
2 ographic area of the member's district. The additional allowance shall reflect
3 travel expenses necessary to communicate in districts of varying sizes.

4 (9) The per diem allowance referred to in subsections (3) and (4) of this
5 section shall be the amount fixed for per diem allowance that is authorized
6 by the United States Internal Revenue Service to be excluded from gross
7 income without itemization.

8 **SECTION 9.** ORS 8.690 is amended to read:

9 8.690. Upon request of a county officer, the district attorney and deputies
10 of the district attorney shall advise the county court and other county offi-
11 cers on all legal questions that may arise. When *[any]* **an** action is instituted
12 against *[any]* **a** county officer or county employee for damages for an alleged
13 wrongful act or omission in the performance of official duty, the district at-
14 torney shall defend *[such]* **the** action. The district attorney shall also prose-
15 cute and defend all actions, suits[,] and proceedings to which the county may
16 be a party. For such services the district attorney shall receive no compen-
17 sation other than salary **and any additional amounts paid under ORS**
18 **8.830.**

19 **SECTION 10.** ORS 8.790 is amended to read:

20 8.790. No salary, fees, percentage or compensation of any kind shall be
21 allowed, paid to or received by any district attorney or deputy district at-
22 torney except as provided in ORS 8.110 to 8.150, 8.160, *[and]* 8.670 to 8.852
23 **and 292.930.**

24 **SECTION 11.** ORS 8.852 is amended to read:

25 8.852. The district attorneys of the various counties shall be paid monthly
26 salaries as *[adopted in the salary plan provided for in ORS 240.240 (2), to*
27 *include salary adjustments awarded management service employees]* **provided**
28 **in ORS 292.930.**

29 **SECTION 12.** ORS 292.430 is amended to read:

30 292.430. (1) In addition to the annual salaries *[set forth in ORS 171.072*
31 *and 292.313]* **established under ORS 292.912,** the Oregon Department of

1 Administrative Services may "pick-up," assume and pay to the Public Em-
2 ployees Retirement Fund any employee contributions, otherwise required by
3 ORS 238.200, for the Governor, Secretary of State, State Treasurer, Attorney
4 General, Superintendent of Public Instruction, Commissioner of the Bureau
5 of Labor and Industries, **district attorneys** and members of the Legislative
6 Assembly.

7 (2) The department may provide health, dental, life and long-term disa-
8 bility insurance without cost to the officers referred to in subsection (1) of
9 this section and to judges of the Supreme Court, Court of Appeals, Oregon
10 Tax Court and circuit courts in such amounts as are provided from time to
11 time to employees in the unclassified service of the state.

12 **SECTION 13. ORS 292.313, 292.405, 292.410, 292.415, 292.425 and 292.920**
13 **are repealed.**

14 **SECTION 14. This 2007 Act does not take effect unless the amend-**
15 **ment to the Oregon Constitution proposed by _____ Joint Resolution**
16 **_____ (2007) (LC 1566-1) is approved by the people at a special election**
17 **held throughout this state on the same date as the next primary**
18 **election. This 2007 Act takes effect on the effective date of that con-**
19 **stitutional amendment.**

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