

TO: Members of the House Rules Committee

FROM: Hasina Wittenberg, Special Districts Association of Oregon

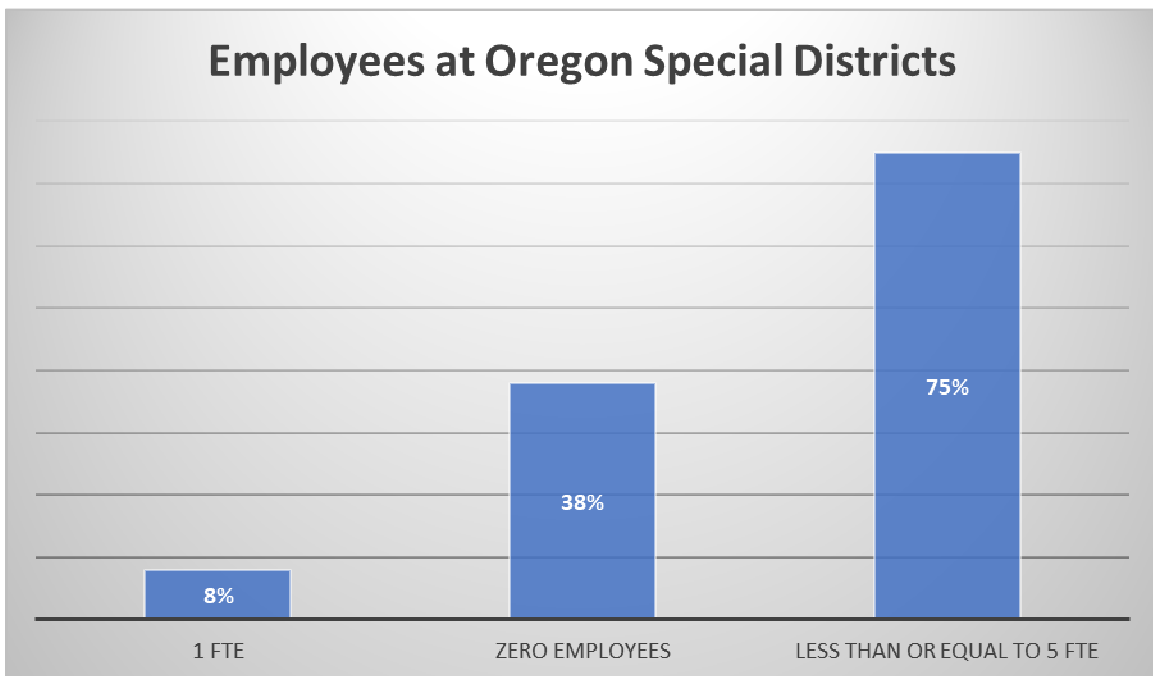
DATE: February 10, 2022

RE: **Testimony in Opposition to HB 4140**

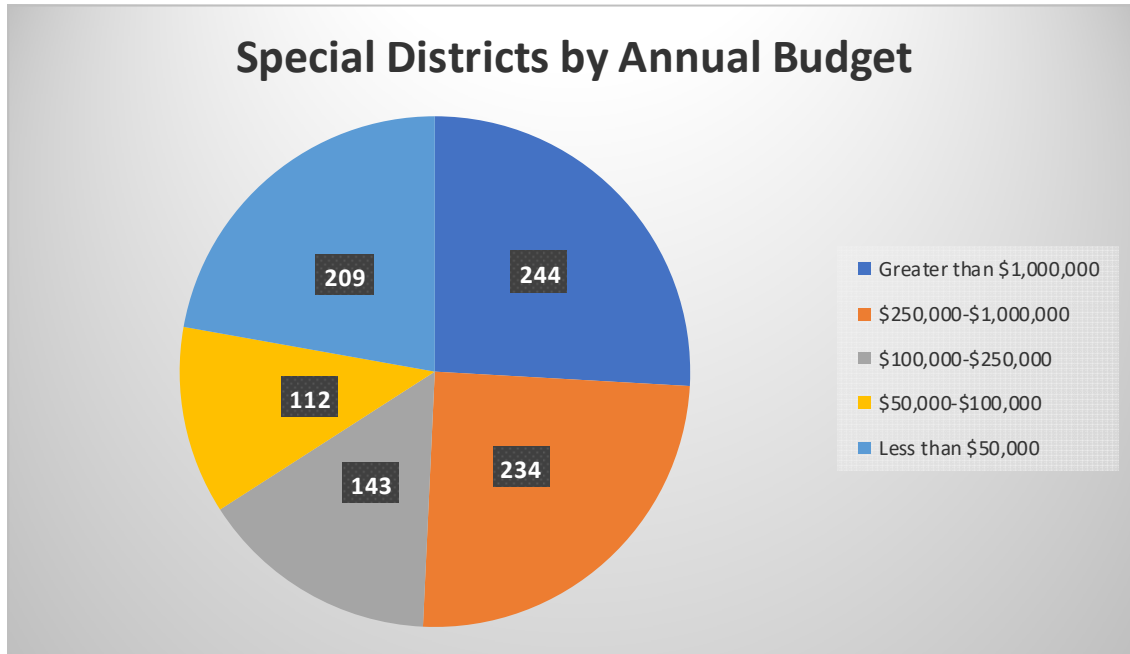
Members of the House Rules Committee, thank you for the opportunity to submit written testimony in opposition to HB 4140 on behalf of the Special Districts Association of Oregon (SDAO). Our association was formed in 1978 and our membership consists of approximately 924 special service districts that provide a range of services (including but not limited to water, wastewater, irrigation, parks, and recreation, 9-1-1 and rural fire protection) statewide to citizens who reside within cities and in unincorporated communities.

These districts are largely governed by boards of that consist of five-member elected officials. We estimate that there are over 4,000 elected volunteer board members who are part of our membership. 75% of our districts have five or fewer FTEs and 38% of our districts are all volunteer and do not have any employees.

Special District Members	District Board Members	Zero Employees	1 FTE	Less Than or Equal to 5 FTE
924	4,079	352	78	690



HB 4140 would subject thousands of volunteer board members and hundreds of special district employees to mandatory training. The following is a breakdown of our membership's budgets:



Many of these districts are small in size, rely on volunteers, and have very small budgets. We often hear from our members that they struggle to recruit board members and have difficulty maintain quorum to conduct business. Finding willing and unpaid volunteers to serve on our boards is a challenge. There are over thirty types of special districts and not all of them are “attractive” types of districts to serve as an elected official. Many people have not heard of a predator control district or aren't very excited about serving on the local cemetery board.

SDAO is very active in training public officials in public meetings, public records, ethics, board member responsibilities and local budget law. Elected officials who serve on our boards are eager to learn about their responsibilities and take them very seriously. However, mandating training once per elected term will increase the difficulty districts have in attracting volunteers for to serve.

In addition, prohibiting public bodies from indemnifying public officials and employees from civil penalties will result in an additional disincentive for members of the public to choose to perform this important public service.

The Oregon Government Ethics Commission's current funding structure was adopted in 2009. OGEC fees paid are tied to the local government's municipal audit fee (there are eight different levels and tiers). Districts agreed to this funding structure after a long and healthy debate about ethics law reform. SDAO encourages the legislature to thoroughly examine what problem this legislation seeks to solve and whether there is data to demonstrate that local governments should, once again, be tasked with funding the new regulatory responsibility that HB 4140 proposes to give to OGEC.

Thank you for the opportunity to submit testimony in opposition to HB 4140, I would be happy to answer any questions the committee has.