

Oregon Government Ethics Commission

	2019-21 Actual	2021-23 Legislatively Adopted	2021-23 Legislatively Approved *	2023-25 Current Service Level	2023-25 Governor's Budget
Other Funds	2,824,506	3,231,509	3,312,835	3,441,776	3,897,374
Total Funds	2,824,506	3,231,509	3,312,835	3,441,776	3,897,374
Positions	9	9	9	9	10
FTE	9.00	9.00	9.00	9.00	9.88

* Includes Emergency Board and administrative actions through December 2022.

Program Description

The mission of the Government Ethics Commission (OGEC) is to impartially administer and enforce Oregon's government ethics laws. Oregon Government Ethics law, Lobbying Regulation law, and the executive session provisions of Oregon Public Meetings law are within the regulatory jurisdiction of the Commission. The Commission and its staff educate public officials and lobbyists on government ethics, lobby regulation, and executive session provisions of public meeting laws through online and in-person training. Commission actions range from education to formal sanctions including fines and forfeitures. Nine volunteer members make up the Commission, including eight members appointed by the Governor upon recommendation by the Democratic and Republican leaders of the Oregon House and Senate, and one member appointed directly by the Governor. All members are confirmed by the Senate. Members are limited to two four-year terms. Additionally, no more than three of the members may be from the same political party. The Executive Director is appointed by the Commission. Over 200,000 public officials are subject to the Commission's jurisdiction with approximately 6,000 public officials and 1,000 lobbyists that must file statements of economic interest.

The agency's funding comes from an assessment model with operating costs equally shared between state agencies and local government entities. State agencies are assessed based upon their number of full-time equivalent positions. Local entities are assessed based upon a formula connected to a Municipal Audit charge collected by the Secretary of State. A portion of these assessment revenues originates as General Fund, but for the purposes of OGEC's budget are Other Funds.

CSL Summary

The 2023-25 current service level (CSL) budget of \$3.4 million is \$128,941 (or 3.9%) more than the 2021-23 legislatively approved budget (LAB) of \$3.3 million. The increase is attributable to standard personal services growth and inflation for services and supplies expenditures. Personal services expenditures comprise 63% of the Commission's budget. The number of positions (9) and total FTE (9.00) remain unchanged from the prior biennium.

The Commission's 2023-25 CSL budget includes Other Funds revenue of \$3.8 million from the assessments on state agencies and local jurisdictions. Imposition of civil penalties is expected to generate an estimated \$50,000 in fines and forfeitures in the 2023-5 biennia. These revenues are transferred to the General Fund and are not used to support agency operations. Actual fines and forfeiture revenue collected in 2019-21 totaled \$59,675.

Policy Issues

The number of public officials that must file statements of economic interest has increased with recent legislative changes including adding school board members to those who must file. That may include the workload of the Commission some.

While the costs of Commission are shared equally between state and local jurisdictions, the complaints relating to officials of local jurisdictions make up roughly 85% of the total. This number does not take into account the complexity of the cases.

Governor's Budget

The 2023-25 Governor's budget for the Commission totals \$3.9 million Other Funds, an increase of 13.2% (\$455,598) over the 2023-25 CSL. The Governor's budget includes the following changes from CSL:

- EFS-CMS System Updates -- funds updates to the custom databases maintained by the Commission -- the Electronic Filing System (EFS) and the Case Management System (CMS). Total amount requested for 2023-25 is \$259,740 Other Funds based on an estimate by the current contractor. This amount has not been factored into the current assessments but will be a one-time charge for 2023-25 if approved.
- Training and Development Specialist 2 -- adds one position (0.88 FTE) to meet the demand for additional trainings and to respond to an increase in questions and requests for advice made to the Commission relating to Oregon ethics, lobby law and executive session laws. This position is anticipated to increase the development skills of the Commission staff relating to training and other materials. Total cost of the package \$225,102 Other Funds and is not included in the assessments currently charged affected governments.
- Increased Telecommunication Costs -- increases the amount for telecommunications in the Commission's budget by \$12,709 Other Funds. The increase is in part due to more on-line trainings being offered during the pandemic. The Commission would like to continue these on-line trainings given the higher level of participation.
- Reductions in the rates assessed to all state agencies for Attorney General services (\$11,450 Other Funds) and various services provided by units within the Department of Administrative Services (\$30,503 Other Funds).

Other Significant Issues and Background

In 2017, the Commission adopted a ten-year strategic plan which focused on education and transparency, with enforcement as a secondary focus. Prior to that the primary focus was on enforcement.

Due to the COVID-19 pandemic, Commission meetings and trainings have been held virtually. Training was previously held both in-person and online but has been shifted to an entirely virtual platform to accommodate the remote working environment. The Commission also plans to make some training videos available on YouTube and iLearn. It is expected that the Commission will continue to rely on online education and training. The Commission is currently meeting in a hybrid model with some members and staff meeting in person and others remotely.

Key Performance Measures

A copy of the Oregon Government Ethics Commission Annual Performance Progress Report can be found on the LFO website:

https://www.oregonlegislature.gov/lfo/APPR/APPR_OGEC_2022-09-28.pdf