

BILLS "ALLOWED TO BECOME LAW"
WITHOUT THE GOVERNOR'S SIGNATURE

HOUSE BILL 2037

HOUSE BILL 2318

HOUSE BILL 2430

HOUSE BILL 2771

HOUSE BILL 3019

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

F.Y.I.
FOR YOUR INFORMATION.
6/12/85
from
Oregon Governor's office
Communications

June 11, 1985

Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Mrs. Roberts:


I am filing herewith House Bill 2037, but am allowing it to become law without my signature.

Four years ago when I signed a similar measure into law, I did so with the clear understanding that it would be the last time I would do so. During the subsequent four years, I have not changed my mind both on the question of the appropriateness of local government surcharges imposed by the Metropolitan Service District, nor their ability to successfully carry out their mission.

It would serve no useful purpose at this particular moment to veto the legislation, but I feel strongly that my views must be expressed. Not only has the sunset been delayed one more time, but a one cent increase has been added to the per capita rate of assessment.

It is my hope that when this legislation comes up for sunset review, that those in positions of leadership will look closely at the need for the assessment and the effectiveness of the organization that receives the financial support.

Sincerely,



Victor Atiyeh
Governor

cc Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2318, unsigned.

The legislation provides for the creation of a three-member Public Utility Commission appointed by the Governor. The referral requirement on this bill prevents me from exercising my veto authority. However, I believe it is important to indicate my views on this measure.

Oregon had a three-member Public Service Commission until 1931, when the legislature provided for a single-member office of the Public Utility Commissioner. Dissatisfaction over the three-member Commission's handling of rate increase reports led to the abolition of the Commission. Now, because of protests over rate increases, we apparently are being asked to believe that a three-member Commission would be more responsive to the public interest. It is impossible for me to come to that conclusion.

When I became Governor, my staff and I made a thorough review of the office of the Public Utility Commissioner to determine whether Oregon should have a multi-member Commission. Our conclusion was that a multi-member Commission could be less accountable, would cause unnecessary delay in reaching decisions, and would cost more to operate.

Nothing would be served by passage of this measure, and I will recommend its defeat.

Sincerely,

Victor Atiyeh
Governor

VA:av

cc John Kitzhaber
Vera Katz

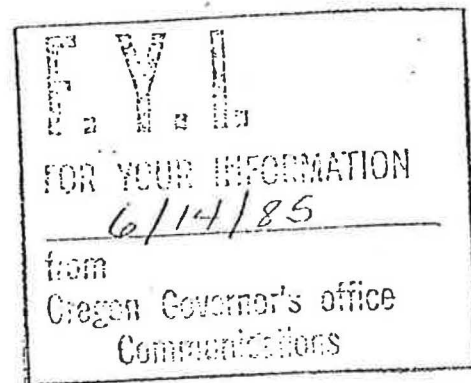
VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 12, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310



Dear Mrs. Roberts,


I am filing herewith House Bill 2430, unsigned, but am allowing it to become law without my signature. This bill would require a local government, which makes health care insurance available to its employees, also to make it available to retired employees, their spouses and minor children.

There are problems inherent in the measure. This is a questionable legislative interjection into established contractual relationships between public employer, public employee, and group health benefits provider. I understand language in the bill dealing with payments of this coverage refers to collective bargaining agreements, but there remains the mandatory requirement that coverage be provided. A benefit, such as this bill mandates, would have its impact on the cost of health care benefits. The increase in costs would affect not only the retired employee, but the public employer who most often is paying the premium for the actively working employee.

Local governing bodies as well as private sector managing bodies already can negotiate and provide health care coverage for retirees. This is an option which can be satisfactorily exercised when there is a means for control and a willingness among employees and employers to share the resulting higher costs.

I have great concern about the principle of negotiating through law. However, there could be some beneficial effects by early retirements and the law should be given a chance to see if those benefits would actually accrue.

Sincerely,


Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith House Bill 2771 unsigned but allowing it to become law without my signature.

Passed in the closing hours of the session, this bill cuts off voter registration at 5:00 p.m. on the day before an election, with an earlier cutoff for registration by mail. It authorizes the Secretary of State by rule to designate proof of residence required, and specifically makes it a Class C felony to furnish false proof of residence.

I was disappointed the Legislative Assembly did not accept the Minority proposal for an earlier registration cutoff. Even though persons furnishing false proof of residence are subject to imprisonment for up to five years, and a fine up to \$100,000, there remains little time for verification of residence information by the County Clerk if registration is sought within a very few days before an election. I have heard arguments that a 14-day cutoff might be subject to challenge under federal law. The result of such a challenge, however, cannot be known and there are sound arguments which can be brought forward in defense of a longer period to allow for verification.

The Legislature at least moved in the right direction by passing this bill. Those who advocate a longer period for verification of registrations retain the right to initiate such a proposal. I do not believe allowing this bill to become law will diminish support for such an attempt.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 18, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith HB 3019 unsigned, but I am allowing it to become law without my signature.

This is the budget measure for the Board of Maritime Pilots of the Department of Commerce. It establishes a limitation for the coming biennium for payment of the Board's expenses from monies collected by it through fees and otherwise. Additionally, the measure increases the annual license fee by an amount of \$100, and states "the funds available under this section shall be used to relocate the Board from its present location on the effective date of this Act to a location in Portland, Oregon."

The Director of Commerce maintains the fee increase would not be essential if the Board maintained its current location in Salem, and continued sharing staff services with another board. I am in agreement with the Director that the business of the Board could be conducted more efficiently, expeditiously and economically under the present arrangement.

At the same time, I am reluctant to veto, on these grounds, a measure essential to uninterrupted continuation of the Board's operations. It is my expectation that the Director and members of the Board will continue discussions looking toward a final solution of this issue before the end of the coming biennium.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

"COMMENTS" ON BILLS THAT THE
GOVERNOR HAS SIGNED

SENATE BILL 704

SENATE BILL 818

HOUSE BILL 2093

HOUSE BILL 2183

HOUSE BILL 2262

HOUSE BILL 2896

HOUSE BILL 2937

HOUSE BILL 3017

HOUSE BILL 5003

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 704, bearing my signature. However, I want to take this opportunity to express the understanding under which I have signed it and my expectations of state agencies.

This bill amends the public records law to exempt, from public disclosure, state or local government agency disciplinary actions and materials or documents supporting those actions, unless the public interest requires disclosure. I have no problem with this part of the bill.

The bill also prohibits placement or other retention in an employee personnel file of a copy of a disciplinary action which subsequently has been reduced in severity or eliminated, unless retention is agreed to by the employer and the employee. In cases where a disciplinary action has subsequently been reduced in severity, it is not absolutely clear from the language of the bill that a copy of the disciplinary action as reduced is to be retained in the file, even though the original action has been purged. The Personnel Division of the Executive Department advises me it understands this was the intent of the committees which considered the measure when heard during the legislative process. It is my expectation that state agencies generally will proceed on that basis.

Sincerely,

Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 818 bearing my signature. I believe the concept of this bill is good and could be very beneficial to Oregon's new and growing wine industry but wish to express my concern for the lack of funding provided to meet the requirements of this law.

I will immediately instruct the director of the Economic Development Department to appoint the eight member task force created by this bill. However, until there are necessary funds to proceed, no other work can be done.

No funding was provided by the legislature to the Economic Development Department which must provide staff and expenses for the task force. The bill does allow the department to accept gifts and grants. This is the only method of funding provided even though a complete fiscal impact statement was provided prior to the passage of the bill.

Until such time as adequate funds have been received through gifts and grants, the Economic Development Department is unable to provide for staff or expenses.

Sincerely,

Victor Atiyeh
Governor

VA:sg

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 12, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

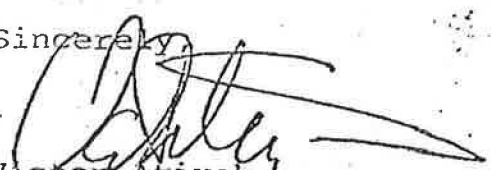
Dear Madame Secretary:

I am filing herewith House Bill 2093. Although I signed this measure, I am taking this opportunity to express my disappointment at the composition of the Oregon Criminal Justice Council, which would be created under this measure. Section 2 provides that six (6) officials in the executive branch of government will be members ex officio, and four (4) members will be legislators appointed by the President and Speaker. The Governor is authorized to appoint eight (8) members falling into five (5) categories.

Of all the members described in Section 2, only one -- a county sheriff -- would be a peace officer. No representation is given state or city police, who certainly have a vital interest in Oregon's criminal justice system.

While this defect was not one which would cause me to veto an otherwise acceptable bill, it is my hope the Legislative Assembly would take prompt action when it next meets to accommodate members representative of the Department of State Police and city police agencies.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable Vera Katz
Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Mdame Secretary,

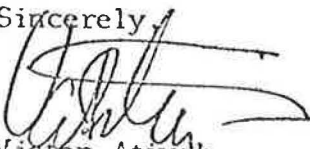
I am filing herewith House Bill 2183 bearing my signature, but taking this opportunity to express my displeasure with amendments added by the Senate in the course of passage.

As introduced at my request, this measure would have made permanent an increase in the cigarette tax. The legislative amendments created a Tobacco Products Tax Act applying to other items including cigars, pipe tobacco, snuff and chewing tobacco. This tax would amount to 35 percent of the wholesale price of these substances.

The difficulties in administering this new tax will involve locating, identifying and licensing an unknown number of tobacco dealers around the state. A separate accounting system will be necessary because this is a quarterly tax, not a monthly tax like the cigarette program. Because the product is so varied in nature and variety, the use of a tax indicia on each item is not practical and the tax will be paid by an invoice reporting system. This will require an extensive audit process by the Department of Revenue involving the tedious review of each distributor's invoice file without the benefit of tax indicia sales records. A substantial portion of revenues to be derived from this source will be consumed by costs of administration.

Although I object to that portion of House Bill 2183 imposing the tobacco products tax, my objections were not so overwhelming as to cause me to veto the entire bill. I urge legislative action in 1987 which will correct problems caused by imposition of this tax, or referral by the people of the offensive part of this bill.

Sincerely,


Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith House Bill 2937 bearing my signature. However, I am taking this opportunity to express some of my concerns about establishing this new Oregon Resource and Technology Development Corporation.

I recommended in my special economic development plan, which was to be funded by the lottery proceeds, \$10 million to develop a venture capital program for small businesses in Oregon. Instead the legislature chose to create the Oregon Resource and Technology Corporation as the mechanism to fund and administer a venture capital program. This corporation, if managed efficiently and effectively, can help to fill a significant credit gap in providing start-up capital to small firms which have the potential for significant growth and contribution to the Oregon economy.

I am particularly concerned that the legislature chose to implement this fund through an independent, quasi-public corporation. At a time when myself, the legislature, the Economic Development Department and local communities are stressing the need for consolidation and cooperation of all economic development efforts in the state, I find it difficult to see the reasoning for the establishment of another independent body. I worry that this new body will add to the confusion for businesses which will be seeking financial assistance programs. This adds another "jog" in the financial assistance trail that is sometimes hard to follow now.

It will require six to twelve months to establish this new corporation and its administrative structure. It could have easily been structured through the financial program delivery system that currently exists in the Economic Development Department. Had the legislature seen fit to utilize the existing structure, the seed capital program would have been operational more quickly and would have created a positive economic impact much earlier than allowed through this new structure.

Perhaps the greatest concern I have is the few legislative controls placed upon this new corporation. The first full review required of this new structure will be by a special committee in 1992. I find this inconsistent, inappropriate and unbelievable when measured against other legislative actions related to economic development.

Honorable Barbara Roberts
July 15, 1985
Page Two

For some unidentifiable reason, the legislature chose to entrust faith and confidence in a new and untested organization giving it little or no oversight for a full seven years. This new corporation will be responsible for the administration of more than \$13 million.

At the same time severe constraints were placed on the Economic Development Department, which is held responsible for most statewide economic development efforts.

There is no administrative expense limit placed on this new, untested corporation. Yet every other economic development program within state government has absolute limits.

Even more troublesome is the absolute broad flexibility given to this new, untested corporation in establishing terms and conditions for projects it might finance or fund. Proven finance programs within state government must live with stringent terms and conditions set forth by the legislature. In addition, the funding of programs like the Oregon Business Development Fund, which has a backlog of small business loan applications, is minimal at best. Another example is the new Public Works Fund, which had the capability of helping communities become "business ready," received one-half the funding I requested and the legislature chose to place restrictions and restraints on the fund that seriously impedes the effectiveness of this fund.

My position stated on this corporation might by some be thought inconsistent with the position I forcefully stated in vetoing portions of Senate Bill 136, relating to the Oregon State Lottery. However, the lottery is governed by a popularly mandated constitutional provision, and this corporation is not.

I will work hard to put in place the required board of directors but will look for directors who are willing to accept the responsibility as well as voluntarily provide the accountability so completely overlooked by the legislature.

In addition, I have signed House Bill 3032, which appropriates the funding for this corporation after I affixed my signature to House Bill 2937. House Bill 3032 requires the Executive Department to report to the Joint Legislative Committee on Trade and Economic Development the economic development consequences of "all agencies, persons and organizations expending moneys for the net proceeds of the lottery." I have taken this action to further ensure as much accountability as possible for the new Oregon Resource and Technology Development Corporation.

Sincerely,



Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith House Bill 2262 bearing my signature. I am taking this opportunity to express some concerns relative to this measure.

House Bill 2262 establishes the Oregon Enterprise Zone Act which allows the Governor to designate up to 30 enterprise zones within the state of Oregon. The purpose of the bill is to stimulate employment, business and industrial growth in depressed areas by providing assistance to business and industries and by providing tax incentives in those areas.

The Act itself provides an additional tool for our economic development efforts, particularly for those areas in our state suffering the most from recent economic downturns. But I would not want our citizens to be misled through false hopes of what immediate results might occur because of this Act.

The Act contains very rigid requirements that must be met by businesses or industries before qualifying for any of the tax incentives. In fact, the bill does not provide for any additional tax incentives by the state of Oregon. The only tax incentives that may be provided are through local government discretion.

The Act also contains very rigid requirements that must be met by areas applying to be designated as enterprise zones.

The Act itself can be compared to an "empty envelope." The envelope is a good one; the contents are weak. The value in the Act is the message it provides to local areas, plus the favorable positioning of Oregon should Congress pass a national enterprise zone act.


I do not, however, want Oregonians to be lulled into believing this Act will solve local economic problems. The direct impact of this Act will, at best, be minimal.

The process created by this Act is complex and lengthy. It establishes a substantial new workload for the Economic Development Department. The legislature ignored the appeals made to provide the necessary resources to implement the Act.

Honorable Barbara Roberts
July 15, 1985
Page Two

I can only assume the legislature was serious about its intent contained in this bill, hence, the passage of this bill. Without the necessary resources for implementation, the Economic Development Department is put in a position of not being able to carry out the wishes of the legislature. Therefore, I am instructing the director of the Economic Development Department to present the need for additional funding to the Emergency Board as soon as possible. It would be my hope that the Emergency Board will see fit to correct this obvious oversight.

Sincerely,



Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2896, bearing my signature. After due deliberation, I have signed House Bill 2896 - the legislation relating to gallery owners and artists. My concern has always been to encourage young artists through increased opportunities to show their work, gain exposure and encouragement and develop Oregon as a flourishing cultural center.

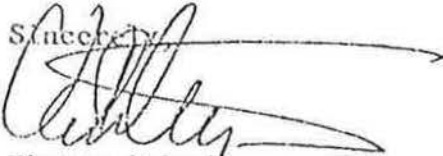
Much debate has taken place on the merits of this legislation. Some debate after passage of the bill centered around speculation on what course of action I would eventually take, either veto or signature. I am offended by this speculation directed not only at my staff, but at me personally.

House Bill 2896, although well intended, does contain provisions which are poorly written. Because of my concern that we protect young artists and maintain existing galleries and encourage the opening of new art galleries, by this letter I am directing the Oregon Arts Commission to undergo a thorough review during the next two years on "the workability" of these provisions. If House Bill 2896 accomplishes its objectives of protecting artists, we will all have benefited. If however, it discourages gallery owners from taking new artists under consignment, or places such onerous liability provisions upon them that they diminish in number, it is my sincere hope that action will be taken by the next legislative session. I have confidence that the Oregon Arts Commission will fairly and objectively review and recommend the next legislative session on an appropriate course of action.

A cleavage has occurred as a result of this legislation among gallery owners and artists that serves neither interest and harms the public interest. It is my strong desire that this dispute be resolved through discussion of issues and concerns by the varying parties. A better understanding of gallery owners' problems coupled with a sensitivity towards artists' interests will serve all.

The Honorable Barbara Roberts
July 15, 1985
Page 2

A civilization ultimately is judged not only on how well it kept the peace, but on the quality of its cultural heritage. Oregon can be proud of the many contributions we have made towards improving our quality of life through support of the arts.

Sincerely,


Victor Atiyeh
Governor

cc The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith House Bill 3017 bearing my signature. However, I wish to take this opportunity to express my feelings about this measure.

Many Oregonians remain unemployed because of recent economic downturns in our state. It is my strong belief that passage of this measure enhances greatly our opportunity to attract additional jobs in some of our more severely depressed communities. I am convinced that passage of House Bill 3017 is in the best interest, both short term and long term, for unemployed Oregonians.

I have had many direct discussions with many representatives of the industries most affected by this bill. Our conversations have been extremely candid. In no uncertain terms I have made it absolutely clear that this bill is not to be interpreted as a vehicle to make Oregon a "dumping ground" for contractors nor is it to be an "employment act" for employees not residing in Oregon. At least two companies have given me their written commitment to hire Oregonians first and foremost, with out of staters being hired only when our labor pool is not responsive to the industry needs in Oregon.

My discussions with the affected companies will continue. Most have been responsive to my strong desire to hire Oregonians. However, I will closely and continuously monitor their activities in Oregon to make certain that their commitments and promises are fulfilled as I expect them to be fulfilled. If I discover any abuse as a result of this measure, I have pledged that I will immediately call for a special session to repeal the provisions of this bill that are being abused.

In spite of all I have said above, I am still convinced that this measure is in the best interest of the unemployed workers in Oregon. I call upon the labor leaders and industry leaders to work together cooperatively to bring about a positive environment that can help us to create even more jobs for this great state of Oregon.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith House Bill 5003 bearing my signature. However, I am taking this opportunity to clarify the \$180,000 provided for a "naval construction lobbyist" in Washington, D.C.

I have instructed the director of Economic Development Department to establish this new position based on the following factors:

1. The selection must be made in consultation with the Governor;
2. The individual to be selected must be known and have the confidence of Congressional members and their staff;
3. The individual must either be located in Washington, D.C. or be willing to relocate to Washington, D.C. to enable response to situations on an "as-needed" basis.
4. The individual must have the confidence of private shipbuilders, ports and there must be no known conflicts of interest between parties;
5. The position should go beyond only navy contract work. Other key areas that should be addressed are Navy and Coast Guard home porting of vessels, commercial work, small business set-aside for marine work and other special projects.

It is my strong belief that if we are to establish such a position in state government, it need not be limited to "naval construction" only. Marine fabrication work is important to Oregon and the opportunities should be addressed as they arise.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

"PARTIALLY-SIGNED" BILLS

SENATE BILL 136

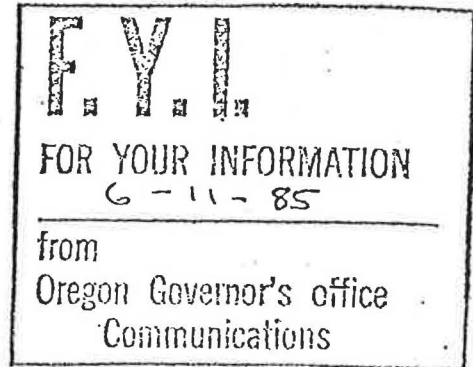
SENATE BILL 722

SENATE BILL 5553



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 10, 1985



The Honorable John Kitzhaber
President, Oregon State Senate
State Capitol
Salem, Oregon 97310

Dear Mr. President,

I am returning herewith Senate Bill 136 bearing my signature. However, I have expressly disapproved Sections 2 and 15.

Throughout Oregon's history until last year, our State Constitution prohibited a lottery. Acting through the initiative process, last November by a substantial majority the people adopted a self-executing constitutional amendment to establish a state lottery under a commission of five members appointed by the Governor and confirmed by the Senate. It is important to bear in mind that this amendment, and the accompanying legislation, were not drawn up by the Executive Branch or proposed by the Legislature. They were initiated by the people themselves. They established an unusual agency of state government - one intended not to regulate, provide services or expend public monies, but to generate revenue.

While I did not support creation of the lottery, nevertheless I am convinced the people wisely perceived that a publicly owned business could not compete efficiently and effectively if it were subjected to the extensive fiscal and administrative controls applicable to agencies which expend, rather than generate, revenues. Under the system established by the people, commission meetings are subject to open meeting laws. All lottery records are subject to the state Public Records Law. All commissioners, the Director and Assistant Directors are subject to the State Ethics Law. The Secretary of State is auditor for the lottery. The State Treasurer is its banker. The Attorney General is its lawyer, and can investigate any reported wrongdoing. Monthly, quarterly and annual reports are sent to the Governor, Legislative Assembly and various other state officials.

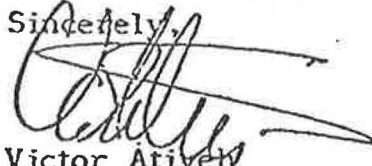
As introduced at the request of the Executive Department, SB 136 was intended to make corrective amendments to laws governing the lottery, all designed to carry out the will of the people when they created this agency. During the course of its consideration by the Legislative Assembly, the bill was amended to impose essentially the same kind of budgetary controls on the agency as apply to other entities within the Executive Branch. While these controls may be appropriate to agencies which expend public monies, the budgetary preparation process is slow. As a competitive, revenue-generating operation, the lottery must be able to proceed rapidly to meet changing public attitudes. A question frequently asked of public officials is, "Why can't government be run in a businesslike manner?" By the nature of things, most agencies cannot - but to subject the lottery to cumbersome legislative budget controls would damage its effectiveness by depriving it of the ability to maintain a coherent management policy and by delaying the timing of its policy decisions.

The issue involved in Sections 2 and 15 is not whether the Legislature ought to be informed of lottery operations, or whether lottery officials ought to be subjected to constant public scrutiny. The issue is whether the Legislature ought to take it upon itself to brush aside the people's will, expressed in November 1984, and place its budgetary and fiscal committees in a management position with respect to the lottery.

In taking this action, I am guided by an opinion of the Attorney General rendered on May 24, 1985. In part, this opinion said, "The people pre-empted the power to make appropriations to the lottery from the Legislative Assembly and any agency established under Article III, Section 2. The Constitution itself continuously appropriates a portion of the lottery funds and expressly bars the Legislature from making further appropriations. There is no appropriations decision left for the Legislative Assembly to make. . . . We conclude, therefore, that any attempt to exercise appropriation authority with reference to the administration of the lottery would be unconstitutional." Additionally, the Attorney General ruled, "Any attempt to impose a different expenditure limitation legislatively would be unconstitutional." It would be absurd and ridiculous to subject the lottery to the ordinary legislative budgetary process, when the Legislature can neither appropriate monies to the lottery nor limit its expenditures.

My action in vetoing Sections 2 and 15 of this measure is taken under Section 15a, Article V, Oregon Constitution, which says, "The Governor shall have power to veto single items in appropriation bills, and any provision in new bills declaring an emergency, without thereby affecting any other provision of such bill." Section 16 of SB 136 legislatively declares an emergency.

Sincerely,



Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable Barbara Roberts

Enrolled

Senate Bill 136

PRINTED PURSUANT TO ORS 171.130 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Executive Department)

CHAPTER

AN ACT

Relating to the state lottery; creating new provisions; amending ORS 181.610, 237.003, 243.005 and 293.110 and sections 1, 2, 3, 4, 5, 6, 7 and 8, chapter 2, Oregon Laws 1985; appropriating money; and declaring an emergency.

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

SECTION 1. Section 1, chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), is amended to read:

Sec. 1. [GENERAL PROVISIONS AND DEFINITIONS] (1) [Title of Act. The Act] Chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), shall be known as the Oregon State Lottery Act of 1984.

(2) [Purpose and Intent.] The people of the State of Oregon declare that the purpose and intent of [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), is to provide additional [monies] moneys for the public purpose described in section 4, Article XV of the Constitution of the State of Oregon through the operation of a state lottery without the imposition of additional or increased taxes.

(3) [Activities Not Affected.] Nothing contained in [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), shall be construed to repeal or modify existing state laws with respect to gambling, except that the state-operated lottery established by the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), shall not be subject to such laws.

(4) [Prohibition on Use of State Funds.] Except for such [monies] moneys as are necessary to temporarily fund the start-up of the state-operated lottery established by the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), the state lottery shall operate as a self-supporting revenue-raising agency of state government and no appropriations, loans [,] or other transfers of state funds shall be made to it.

(5) [Allocation of Revenues.] At least 84 [%] percent of the total annual revenues from the sale of state lottery tickets or shares shall be returned to the public in the form of prizes and net revenues benefiting the public purpose described in section 4, Article XV of the Constitution of the State of Oregon. At least 50 [%] percent of the total annual revenues shall be returned to the public in the form of prizes as described in [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election). All unclaimed prize money shall remain the property of the commission and shall be allocated to the benefit of the public purpose. No more than 16 [%] percent of the total annual revenues shall be allocated for payment of expenses of the state lottery as described in [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election). To the extent that expenses, including the contingency reserve, of the state lottery are less than 16 [%] percent of the total annual

revenues as described in [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), any surplus funds shall also be allocated to the benefit of the public purpose.

(6) [State Lottery Commission Fund.] There is hereby created within the General Fund the Oregon State Lottery Fund which is continuously appropriated for the purpose of administering and operating the commission and the state lottery.

(7) [Governing Definitions.] Unless the context requires otherwise, the definitions contained in [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), shall govern the construction of [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election).

(a) "Lottery" or "state lottery" means the Oregon State Lottery established and operated pursuant to the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election).

(b) "Commissioner" means one of the members of the lottery commission appointed by the Governor pursuant to the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), to oversee the state lottery.

(c) "Director" means the Director of the Oregon State Lottery appointed by the Governor pursuant to the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), as the chief administrator of the Oregon State Lottery.

(d) "Lottery commission" or "commission" means the five-member body appointed by the Governor pursuant to the Constitution of the State of Oregon and [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), to oversee the lottery and the director.

(e) "Lottery game" or "game" means any procedure authorized by the commission whereby prizes are distributed among persons who have paid, or unconditionally agreed to pay, for tickets or shares which provide the opportunity to win such prizes.

(f) "Person" means any natural person or corporation, trust, association, partnership, joint venture, subsidiary [,] or other business entity.

(g) "Lottery game retailer" means a person with whom the lottery commission has contracted for the purpose of selling tickets or shares in lottery games to the public.

(h) "Lottery vendor" or "vendor" means any person who submits a bid, proposal or offer to provide goods or services to the commission or lottery.

(i) "Lottery contractor" means a person with whom the state lottery has contracted for the purpose of providing goods and services for the state lottery.

~~SECTION 2. Section 2, chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election), is amended to read:~~

~~Sec. 2. [OREGON STATE LOTTERY COMMISSION] (1) [Creation of Commission.] The Oregon State Lottery Commission is hereby created in state government.~~

~~(2) [Commission Membership; Appointment; Vacancies; Political Affiliations.]~~

~~(a) The Oregon State Lottery Commission shall consist of five members appointed by the Governor and confirmed by the Senate, who shall serve at the pleasure of the Governor.~~

~~(b) The members shall be appointed for terms of four [(4)] years [, except of those who are first appointed, one (1) member shall be appointed for a term of two (2) years; two (2) members shall be appointed for a term of three (3) years; two (2) members shall be appointed for a term of four (4) years].~~

~~[(c) All initial appointments shall be made within thirty days of the effective date of this Act.]~~

~~[(d)] (c) Vacancies shall be filled within [thirty] 30 days by the Governor, subject to confirmation by the Senate, for the unexpired portion of the term in which they occur.~~

~~(3) [Qualifications of Commissioners.] At least one of the commissioners shall have a minimum of five years experience in law enforcement and at least one of the commissioners shall be a certified public accountant. No person shall be appointed as a lottery commissioner who has been convicted of a felony or a gambling related offense. No more than three [(3)] members of the commission shall be members of the same political party.~~

~~(4) [Power and Duties of the Commission.] The commission shall exercise all powers necessary to effectuate the purpose of [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election). In all decisions, the commission shall take into account the particularly sensitive nature of the lottery and shall act to promote and [ensure] insure integrity, security, honesty [,] and fairness in the operation and administration of the state lottery.~~

~~(5) [Compensation and Expenses.] Lottery commissioners shall be eligible for compensation and expenses under ORS 292.495.~~

~~(6) [Code of Ethics; Statement of Economic Interest.] Lottery commissioners shall file a verified statement of economic interest with the Oregon Government Ethics Commission and shall be subject to the provisions of ORS 244.010 to 244.390.~~

~~(7) [Annual Selection of Chairperson; Special Meetings.] The [commission] Governor shall select annually from [its] the membership of the commission a chairperson who serves at the pleasure of the Governor. The chairperson or a majority of the members of the commission then in office shall have the power to call special meetings of the commission.~~

~~(8) [Meetings; Records.] Meetings of the commission shall be open and public in accordance with state law. Records of the commission shall be open and available to the public in accordance with state law. The commission shall meet with the director not less than monthly to make recommendations and set policy, to approve or reject reports of the director, to [promulgate] adopt rules [,] and to transact other business.~~

~~(9) [Quorum; Voting.] A quorum of the commission shall consist of a majority of the members of the commission then in office. All decisions of the commission shall be made by a majority vote of all of the commissioners then in office.~~

~~(10) [Reports.] The commission shall make quarterly and annual reports of the operation of the state lottery to the Governor, Attorney General, Secretary of State, State Treasurer [,] and the Legislative Assembly. Such reports shall include a full and complete statement of state lottery revenues, prize disbursements, expenses, net revenues [,] and all other financial transactions involving state lottery funds.~~

~~(11) [Criminal Identification Information Available to the State Lottery.]~~

~~(a) Upon the request of the commission or the director, the office of the Attorney General and the Oregon State Police shall furnish to the Director of the Oregon State Lottery and the Assistant Director for Security such information as may tend to assure security, integrity, honesty [,] and fairness in the operation and administration of the state lottery as the office of the Attorney General and the Oregon State Police may have in their possession, including, but not limited to, manual or computerized information and data.~~

~~(b) For the purpose of requesting and receiving the information described in paragraph (a) of this subsection [(a)], the Oregon State Lottery Commission is a ["state agency [" and a ["criminal justice agency [" and its enforcement agents are ["peace officers [" pursuant to ORS 181.010 to 181.705 and rules adopted thereunder.~~

~~(12) [Service and Execution of Warrants of Arrest and Search Warrants.] Enforcement agents, designated as such by the commission, shall have the same authority with respect to service and execution of warrants of arrest and search warrants as is conferred upon peace officers of this state.~~

~~(13)(a) [Exemption From Certain Laws.] Except as otherwise provided by law, the provisions of ORS chapters [240, 276,] 279, 282 [,] and 283 [, 291, 292 and 293] do not apply to the Oregon State Lottery Commission unless otherwise provided by this 1985 Act.~~

~~(b) Officers and employees of the Oregon State Lottery Commission are in the exempt service for purposes of ORS chapter 240 and other related statutes.~~

~~(c) ORS 276.004 (2), 276.024, 276.037, 276.093 to 276.097, 276.410 to 276.426, 276.428, 276.449, 291.030, 291.202 to 291.260, 291.355 and 292.210 to 292.250 do not apply to the Oregon State Lottery Commission.~~

~~(d) ORS 293.075, 293.190, 293.205 to 293.225 and 293.275 do not apply to the Oregon State Lottery Commission.~~

~~(e) ORS 279.053 and 659.010 to 659.110 apply to the Oregon State Lottery Commission.~~

~~(14) [Applicability of Administrative Procedures Act.] The commission shall, in accordance with ORS 183.310 to 183.550 [make, amend, repeal, promulgate] adopt and enforce rules to carry out the provisions of [this Act] chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election).~~

~~(15) Whenever a power is granted to the commission, the power may be exercised by such officer or employee within the Oregon State Lottery as is designated in writing by the commission. Any such designation shall be filed in the office of the Secretary of State.~~

~~(16) The commission shall contract with the Department of State Police to obtain necessary security services. A contract is not intended to preclude the assistance of other law enforcement agencies as the need arises.~~

~~(17) The commission shall have the authority to conduct investigations, including the authority to issue subpoenas to compel the attendance of witnesses and documents, to take testimony under oath, to take depositions, within or outside the state and to require answers to interrogations.~~

(3) "Public employer" means a city, a county or the state, or one of its agencies or political subdivisions that employs police officers or firemen.

SECTION 12. ORS 293.110 is amended to read:

293.110. (1) All payments of money into the State Treasury by virtue of any statute providing for, creating, authorizing or continuing any of the funds enumerated in subsection (2) of this section shall be paid into and become a part of the General Fund.

(2) The following funds shall be a part of the General Fund:

- (a) Board of Dental Examiners' Fund.
- (b) Forest Patrol Fund.
- (c) Motor Vehicle Fund.
- (d) Oregon State Veterinary Medical Fund.
- (e) State Banking Fund.
- (f) State Institutional Betterment Fund.
- (g) Miscellaneous Receipts Account for the State Library.
- (h) State Library School Library Fund.
- (i) Tumalo Maintenance Fund.
- (j) Executive Department Economic Development Fund.

[(j)] (k) All other funds created by law which are not trust funds.

SECTION 13. Sections 14 and 15 of this Act are added to and made a part of chapter 2, Oregon Laws 1985 (Ballot Measure No. 5, 1984 General Election).

SECTION 14. (1) Any person required to submit disclosure information under this 1985 Act, in addition to the requirements specifically listed in this 1985 Act, shall also submit for each individual the true name, as well as any other name used, date of birth, place of birth, Social Security number, current residence address, and residence address for the last 10 years, current marital status including how long, spouse's name, address, date of birth and Social Security number. The person required to disclose must submit an individual sworn statement as to any criminal convictions and the nature thereof. The sworn statement must also contain authorization for the Attorney General and the Assistant Director for Security to confirm with the Oregon Department of Revenue and the United States Internal Revenue Service the truthfulness of the sworn statement with regard to tax matters. The commission shall develop a disclosure form which identifies the information required to be disclosed, including a certification that the information provided is correct. The form shall be sworn and bear the warning that the applicant bears responsibility for excessive investigation costs and that the providing of false information constitutes the crime of false swearing under ORS 162.075 which is a Class A misdemeanor.

(2) If the costs of investigation of any applicant exceeds the usual costs of such investigations, the applicant shall be billed for the excessive costs. The payment thereof shall be credited to the State Lottery Fund as a reimbursement of administrative costs.

~~SECTION 15. (1) The Oregon State Lottery Commission shall prepare in each even-numbered year a budget report for the biennium beginning July 1 of the following year.~~

~~(2) The commission estimates and requests and appropriation measures shall be prepared in a manner approved by the Legislative Fiscal Officer.~~

~~(3) Not later than November 10 of each even-numbered year, the commission shall cause its budget estimates and requests to be made available to the Governor, the Legislative Fiscal Officer and to the Legislative Revenue Officer. Before December 1, the Legislative Fiscal Officer or staff and the Legislative Revenue Officer or staff shall not reveal to any other person the contents or nature of the budget and other materials, except with the written consent of the commission.~~

~~(4) The commission shall furnish the Legislative Assembly any further information required concerning its budget. The commission, upon request, shall furnish a representative to assist the Legislative Assembly, its Joint Committee on Ways and Means, appointed under ORS 171.555, and the Legislative Revenue Officer in the consideration of its budget and any accompanying measures.~~

~~(5) In all other respects the budget of the Oregon State Lottery Commission shall be treated in the same manner as the budgets of all other state agencies.~~

SECTION 15a. (1) There is created an Interim Oversight Committee on the Oregon State Lottery consisting of seven members. The President of the Senate shall appoint three members from among members of the Senate, and the Speaker of the House of Representatives shall appoint four members from among the members of the House of Representatives.

(2) The interim committee shall meet quarterly and shall study the operation of the Oregon State Lottery. The Oregon State Lottery Commission shall submit to the interim committee requested financial and operational data to enable the interim committee to review and study the lottery operation.

(3) At the conclusion of its study, the interim committee shall submit a written report to the Governor and to the Sixty-fourth Legislative Assembly, containing a digest of facts found by the interim committee and its recommendations with respect to any bills or resolutions considered necessary as a result of its studies, including a recommendation on the need, or lack of need, for Legislative Assembly approval of the state lottery budget.

(4) Subject to the approval of the Legislative Administration Committee, the interim committee created by this Act may employ such persons as are necessary for the accomplishment of the purposes for which the interim committee was created, and fix the amount of compensation of these employees. Employment of such persons on a temporary basis may be made by the chairperson of the interim committee upon determination that the necessity is urgent, but such employment and the payment of compensation therefor are subject to approval by the interim committee at its next meeting and to approval by the Legislative Administration Committee.

(5) Authorized payment of expenses of the interim committee shall be paid from funds appropriated for payment of expenses of the Sixty-third Legislative Assembly. However, payments pursuant to this Act may not exceed in the aggregate \$.....

SECTION 16. This Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Act takes effect on its passage.

Passed by Senate April 2, 1985

Repassed by Senate June 3, 1985

Maribel Cadmus

Secretary of Senate

John G. Pelt

President of Senate

Received by Governor:

2:35 P.M. 6-4 1985

Approved:

6:00 P.M. 6-10 1985

Victor Atiyeh

Governor

Filed in Office of Secretary of State:

..... M., 1985

Passed by House May 24, 1985

Vera Katz

Speaker of House

Secretary of State

SECTIONS 2 AND 15 VETOED BY GOVERNOR VICTOR ATIYEH, 6:00 P.M.,
JUNE 10, 1985.

Victor Atiyeh



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol Building
Salem, OR 97310

Dear Madame Secretary:

I am returning herewith Senate Bill 722 bearing my signature. However, I have expressly disapproved three items pursuant to my authority under section 15a, Article V, Oregon Constitution: section 20; subsection (4) of section 21; and subsection (3) of section 24.

Section 20 and subsection (4) of section 21 both refer to limitations for private activity bonds under ORS 286.525. Section 2 of A-Engrossed Senate Bill 5562 contained language referred to in Senate Bill 722. This language included specific dollar allocations by calendar year and by classes of issuers for private activity bonds. However, section 2 was deleted before passage of the bill, making section 20 and subsection (4) of section 21 (Enrolled Senate Bill 722) inoperable.

Sections 2 and 3 of Enrolled Senate Bill 5562 (previously sections 3 and 4) do put in statute provision that issuance of Economic Development Commission's industrial revenue bonds and umbrella revenue bonds cannot exceed the biennial amounts, not amounts by two calendar years, established under ORS 286.505 to 286.545. Section 1 limits by fiscal year the issuance of state general obligations bonds and revenue bonds. No specific limits are set, however, for private activity bonds.

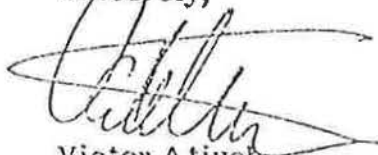
Therefore, it is apparent there are no limitations on private activity bond issuance by calendar years under ORS 286.505 to 286.545 existing in prior statute or in Enrolled Senate Bill 5562, which I have approved and signed, to which language in section 20 and subsection (4) can refer.

I am also disapproving subsection (3) of section 24 of Enrolled Senate Bill 722 since the amounts allocated for umbrella revenue bonds specify the \$15 million and \$5 million for calendar years 1986 and 1987, ignoring the provisions of Enrolled Senate Bill 5562. These provisions make the limitations by fiscal year and also state, in statute, that no additional umbrella bonds may be issued in a biennium other than provided under ORS 286.505 to 286.545.

Honorable Barbara Roberts
July 15, 1985
Page Two

The remaining sections dealing with private activity bonds, beginning with section 19 of the bill, appear workable and provide the flexibility needed to permit, by rule, appropriate responses to changes in federal regulations.

Sincerely,

A handwritten signature in cursive script, appearing to read "Victor Atiyeh", written over a horizontal line.

Victor Atiyeh
Governor

VA:sg

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

Enrolled
Senate Bill 722

Sponsored by COMMITTEE ON TRADE AND ECONOMIC DEVELOPMENT

CHAPTER

AN ACT

Relating to the Oregon Development Finance Authority; creating new provisions; amending ORS 184.025, 280.320, 280.397, 280.532, 280.535, 280.540, 280.575, 280.650, 777.850, 777.860 and 777.884; limiting expenditures; and declaring an emergency.

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

SECTION 1. It is the intent of the Legislative Assembly to centralize and improve the administration of small business finance programs at the state level and to encourage a cooperative partnership with local and regional development finance organizations and private financial institutions to promote economic development throughout the state pursuant to this Act.

SECTION 2. (1) The Finance Committee for the Economic Development Commission shall have authority if directed to do so by the commission to review and make recommendations for state industrial development revenue bond program under ORS 280.310 to 280.393, umbrella revenue bond program under ORS 280.395 and 280.397, the Oregon business development loan program under ORS 280.520 to 280.535, and the Oregon Port Revolving Fund under ORS 777.850 to 777.910.

(2) The commission may delegate to the finance committee authority for final approval for programs or portions of programs described in subsection (1) of this section.

SECTION 3. (1) The Finance Committee for the Economic Development Commission is established. It shall consist of three members of the Economic Development Commission and four public members recommended by the chairperson of the commission and appointed by the Governor. Of the members:

(a) One shall represent the private financial sector and shall have private lending experience in the Oregon economy.

(b) One shall represent the state's basic sector small businesses.

(c) One shall represent the state's local governments.

(2) The term of office of each member is four years, but a member serves at the pleasure of the chairperson of the commission with the approval of the Governor. Before the expiration of the term of a member, the chairperson of the Economic Development Commission shall appoint, with the approval of the Governor, a successor whose term begins on July 1 next following. A member is eligible for reappointment for one additional term. If there is a vacancy for any cause, the chairperson shall make an appointment, with the approval of the Governor, to become immediately effective for the unexpired term.

(3) A member of the committee is entitled to compensation and expenses as provided in ORS 292.495.

(4) The chairperson of the commission with the approval of the Governor shall select one of the members of the committee as chairperson and another as vice-chairperson, for such terms and with duties and powers necessary for the performance of the functions of such offices as the chairperson of the commission, with the approval of the Governor, determines.

~~SECTION 20. Private activity bonds shall be subject to the limitations imposed on bond issuance by ORS 286.505 to 286.515.~~

SECTION 21. (1) The Private Activity Bond Committee is established. It shall consist of one representative each from the Executive Department and from the State Treasurer and one public representative appointed to serve at the pleasure of the Governor.

(2) The representative from the Executive Department shall serve as chair of the committee.

(3) The purpose of private activity bonding in this state shall be to maximize the economic benefits of such bonding to the citizens of this state. To this end, the committee shall adopt standards for allocating the limits for such bonds. The standards shall include but are not limited to the following criteria:

- (a) Support projects that increase the number of family wage jobs in this state.
- (b) Promote economic recovery in small cities heavily dependent on a single industry.
- (c) Emphasize development in underdeveloped rural areas of this state.
- (d) Utilize educational resources available at institutions of higher education.
- (e) Support development of the state's small businesses, especially businesses owned by women and members of minority groups.
- (f) Encourage use of Oregon's human and natural resources in endeavors which harness Oregon's economic comparative advantages.
- (g) Limit assistance to projects that assist businesses selling goods and services in markets for which national or international competition exists.

~~(4) The state private activity bond limit allotted to this state by the federal Tax Reform Act of 1984 shall be allocated among issuers by the Private Activity Bond Committee. For calendar years beginning on or after January 1, 1986, the state private activity bond limit shall be allocated among issuers as provided below:~~

~~(a) Any amounts reserved to an issuer under the limitation adopted under ORS 286.525 shall be allocated to that issuer.~~

~~(b) Any amounts reserved to a class of issuers under the limitation adopted under ORS 286.525 shall be allocated among that class of issuers by the committee under rules adopted under subsection (3) of this section.~~

~~(c) Any amounts not reserved to an issuer or a class of issuers under the limitation adopted under ORS 286.525 shall be allocated by the committee under rules adopted under subsection (3) of this section.~~

~~(d) Any amounts provided for in the limitation under ORS 286.525 that are unused shall be carried forward for use as provided by rules adopted under subsection (3) of this section.~~

~~(e) The rules adopted by the committee shall limit the period of time for which an allocation of private activity bonding authority is effective. Such rules shall insure allocations made during a calendar year shall be used during that calendar year.~~

~~(5) Unused allocations shall not be transferrable among issuers but shall be available for reallocation.~~

SECTION 22. (1) The Advisory Council on the Allocation of the State Private Activity Bond Limit is established. The council shall consist of seven members appointed by the Governor to serve at the pleasure of the Governor. The council shall consist of one representative each from the Executive Department, from the office of the State Treasurer, from the Economic Development Commission, from the Oregon Municipal Debt Advisory Commission and a local government issuer, a representative of a port district and a representative from the list of qualified Oregon bond counsel as maintained by the State Treasurer.

(2) The Governor shall designate one member to serve as chairperson of the council.

(3) The council shall advise the Private Activity Bond Committee on the development of rules and policies for the allocation of the bond limit as provided in section 21 of this Act.

(4) The council shall advise the Governor of its recommendations for the allocation of the limit on private activity bond issuance at the times and in the manner in ORS 286.525.

SECTION 23. The office of State Treasurer shall maintain the official state private activity bond limit records and provide administrative support to the Private Activity Bond Committee and the Advisory Council on the Allocation of the State Private Activity Bond Limit.

SECTION 24. The amounts allocated for private activity bonds as provided for in this Act and ORS 286.525, are as follows:

(1) For calendar year 1986, the amount of \$405 million is allocated to the Private Activity Bond Committee for further allocation among the following:

- (a) Economic Development Commission, Industrial Revenue Bonds;
- (b) Port Districts;

- (c) Other Local Governments;
- (d) Other State Agencies; and
- (e) Other Qualified Issuers.

(2) For calendar year 1987, the amount of \$275 million is allocated to the Private Activity Bond Committee for further allocation among the following:

- (a) Economic Development Commission, Industrial Revenue Bonds;
- (b) Port Districts;
- (c) Other Local Governments;
- (d) Other State Agencies; and
- (e) Other Qualified Issuers.

(3) ~~Notwithstanding subsections (1) and (2) of this section, there is allocated to the commission, for Umbrella Revenue Bonds, \$15 million in calendar year 1986 and \$5 million in calendar year 1987. Such amounts are within the maximum amount to be allocated in each calendar year.~~ 107/15

SECTION 25. The Executive Order of the Governor made pursuant to the federal Tax Reform Act of 1984 is rescinded on January 1, 1986, but the rescission does not affect any bonds issued under an allocation made pursuant to that Executive Order.

SECTION 26. Notwithstanding any other law, the following amounts are established for the biennium beginning July 1, 1985, as the maximum limits on expenditures by the Economic Development Commission from the Executive Department Economic Development Fund for the following purposes:

- (1) Umbrella Revenue Bond program\$ 2,000,000
- (2) Oregon Business Development Fund\$ 4,000,000

SECTION 27. If the Economic Development Commission finds that the \$2 million allocated for the Umbrella Revenue Bond program cannot be effectively utilized, the commission may transfer the remaining balance after July 1, 1986, to the Oregon Business Development Fund with the approval of the Emergency Board.

SECTION 28. Sections 19 to 23 and 25 of this Act are operative January 1, 1986.

SECTION 29. If Senate Bill 233 becomes law, sections 11, 12 and 17 of this Act are repealed.

SECTION 30. This Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Act takes effect July 1, 1985.

Passed by Senate June 20, 1985

Maribel Cradock

 Secretary of Senate

Phil Jones

 President of Senate

Received by Governor:

..... 11:05 A.M. July 11, 1985

Approved:
 3:31 P.M. 7-15 1985

[Signature]

 Governor

Passed by House June 20, 1985

Vera Katz

 Speaker of House

Filed in Office of Secretary of State:

..... M., 1985

.....
 Secretary of State

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 12, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 5553, which bears my signature.

However, acting under Section 15a, Article V, Oregon Constitution, I have expressly disapproved and stricken subsection (4) of Section 1, which would have appropriated \$150,000 for the new biennium for the purpose of performance audits.

The reasons for this item veto are set out in my veto message for Senate Bill 769, dated July 9, 1985.

Sincerely,

Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

Enrolled
Senate Bill 5553

PRINTED PURSUANT TO ORS 171.130 by order of the President of the Senate in conformance with
pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request
of Executive Department)

CHAPTER

AN ACT

Relating to the financial administration of the Secretary of State; appropriating money; limiting expenditures;
and declaring an emergency.

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

SECTION 1. There are appropriated to the Secretary of State, for the biennium beginning July 1, 1985, out
of the General Fund, the following amounts which may be expended for the following purposes:

(1) General Division	\$	2,112,984
(2) Publications	\$	1,774,882
(3) Archives Division	\$	1,209,187
(4) Performance audits	\$	150,000

157 1/2

SECTION 2. Notwithstanding any other law, the following amounts are established for the biennium
beginning July 1, 1985, as the maximum limits for payment of expenses from fees, moneys or other revenues,
including Miscellaneous Receipts, excluding federal funds, collected or received by the Secretary of State as
follows:

(1) Division of Audits	\$	6,391,013
(2) Archives Division	\$	121,871
(3) General Division		
(a) Uniform Commercial Code Section	\$	1,161,759
(b) Notaries Public Section	\$	96,187
(c) Miscellaneous Receipts	\$	24,281
(d) Flag Donation Fund	\$	1,748

SECTION 3. Notwithstanding any other law, the amount of \$1 is established for the biennium beginning
July 1, 1985, as the maximum limit for the payment of expenses from federal funds received by the Secretary of
State.

SECTION 4. Section 2 of this Act does not limit, affect or apply to expenditures for Elections Revolving
Fund.

SECTION 5. This Act being necessary for the immediate preservation of the public peace, health and safety,
an emergency is declared to exist, and this Act takes effect July 1, 1985.

Passed by Senate June 6, 1985

Maribel Cadmus

Secretary of Senate

Phil. Galt

President of Senate

Received by Governor:

3:38 PM July 8, 1985

Approved:

11:25 A M. 7-12 1985

[Signature]

Governor

Passed by House June 11, 1985

Vera Katz

Speaker of House

Filed in Office of Secretary of State:

..... M., 1985

Secretary of State

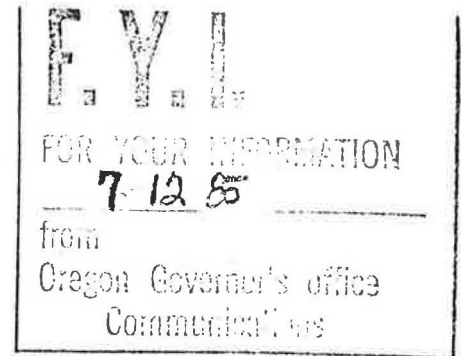
VETOED BILLS

SENATE BILL 57	HOUSE BILL 2001
SENATE BILL 59	HOUSE BILL 2065
SENATE BILL 83	HOUSE BILL 2161
SENATE BILL 266	HOUSE BILL 2275
SENATE BILL 309	HOUSE BILL 2285
SENATE BILL 413	HOUSE BILL 2304
SENATE BILL 418	HOUSE BILL 2472
SENATE BILL 439	HOUSE BILL 2480
SENATE BILL 495	HOUSE BILL 2510
SENATE BILL 542	HOUSE BILL 2529
SENATE BILL 690	HOUSE BILL 2638
SENATE BILL 769	HOUSE BILL 2719
SENATE BILL 874	HOUSE BILL 2767
SENATE BILL 903	HOUSE BILL 2802
SENATE BILL 907	HOUSE BILL 2817
	HOUSE BILL 2900
	HOUSE BILL 2976



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 12, 1985



Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 57, unsigned and disapproved.

This measure would have required the Director of the Workers' Compensation Department to establish guidelines for purchase and use of work stations, including video display terminals (VDT). It would have mandated development of model purchasing specifications for the selection of work stations, including video display terminals, which would have to be included in bid proposals for video display terminals issued by public contracting agencies beginning in July, 1986.

During the 1983-85 biennium a VDT Subcommittee of the Senate Interim Committee on Labor was formed to do an exhaustive study of health and safety issues surrounding VDT usage in the workplace. The committee could find no verifiable long-term health or safety hazards specifically connected with use of video display terminals, other than those commonly associated with many other office work situations.

State government already has in place a means to monitor worksite safety and health and to enforce compliance when specific hazards are identified. The Oregon Safe Employment Act (ORS Chapter 654) is administered by the Accident Prevention Division of the Workers' Compensation Department. The Department has authority to promulgate rules which have the force of law. Allowing health and safety experts flexibility in regulating workplace safety, reflecting new situations and technologies as they arise, is more effective than building into law inflexible mandates which may not prove correct.

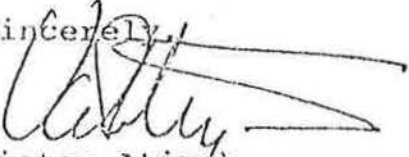
Requiring a set of safety and health guidelines and purchasing specifications for public employers, separate from those required for the private sector, only creates obstacles to a flexible enforcement policy which should be directed toward greatest need. No definitive information has ever been presented showing greater safety and health risks in the public sector than the private.

Honorable Barbara Roberts
July 12, 1985

Page Two

The Accident Prevention Division now provides an educational and consultative program to employers and employe groups regarding correct use of VDT's in the workplace. I have instructed the Workers' Compensation Department to make even more visible their education program aimed at ergonomically sound workstations for all workers in Oregon.

Sincerely,

A handwritten signature in black ink, appearing to read "Victor Atiyeh", with a long horizontal flourish extending to the right.

Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 59, unsigned and disapproved.

I regret having to veto this legislation because I support its intent. When I signed Senate Bill 484 (1983) setting up the Task Force to study Oregon's pay and classification system, I welcomed the law with these words: "The people of the State and their state government employes expect and deserve a compensation and classification system which is efficient, reasonable and fair to all." I then put \$25 million into my recommended 1985-87 budget to finance pay and classification equity.

I still want pay and classification reform to move forward. Pay equity should be for everyone. Whether the study shows women or men to be underpaid or overpaid, I want direct action to correct such inequities on behalf of all state employes and all taxpayers.

Senate Bill 484 (1983), now ORS 240.190, states:

"It is declared to be the public policy of the State of Oregon to attempt to achieve an equitable relationship between the comparability of the value of work performed by persons in state service and the compensation and classification plans within the state system."

That public policy remains in effect and I support it. However, I have consistently taken issue with the methodology of job classification mandated by Senate Bill 484 (1983). Practical experience in the classification study demonstrates that exclusive resort to a supposedly objective point factor job evaluation system in an unreliable predictor of the actual existence of pay disparities. Exclusive reliance on such methodology certainly

The Honorable Barbara Roberts
July 15, 1985
Page 2

cannot provide a reliable basis for identifying pay discrimination. The Executive Department made repeated recommendations as to how Senate Bill 59 could improve the study methodology and work toward elimination of any vestige of pay discrimination which might be contrary to law. Some of those recommendations were accepted; most were rejected or ignored. As Senate Bill 59 emerged in final form, it is so flawed that it makes progress toward the goal of equity virtually impossible.

1. Senate Bill 59 guarantees excessive delay.

Senate 59 would delay the completion of the new classification system by requiring ongoing review and approval by two legislative committees, at least eleven employe unions, undesignated representatives of management and nonmanagement employes and lay advisors.

2. Senate Bill 59 suffers from lack of accountability for results.

Because of the many layers of review and oversight provided in Senate Bill 59, no government body is given adequate power and responsibility to work toward development of a new, equitable classification and compensation system. That task is massive and complicated. I believe that the Executive Department and, ultimately, the Governor, must be given a mandate to come forward with a responsible plan. The time for legislative review and political infighting over the merits of the proposal is after the proposal is complete.

3. Senate Bill 59 would have ruinous consequences for the personnel classification system.

Senate Bill 59 precludes the creation of a coherent classification and compensation system. It unjustifiably forbids any wage freezes or downward classifications of positions. This consequence is specifically at odds with the declared policy of Senate Bill 484 (1983) quoted above. It requires creation of a system which only allows for upward adjustments in pay, without reference to salaries in the market place.

4. Senate Bill 59 sets up a process fundamentally contrary to collective bargaining objectives.

Salaries for most state employes are set through collective bargaining with multiple bargaining units, including five units which may take their unresolved contract disputes to binding arbitration. Salaries established as equitable and internally consistent through the point factor system established by Senate Bill 484 nevertheless would be subject to this process. Consistency in salary rates for jobs identified as having the same worth would immediately break down as the rates of pay are bargained in these multiple forums or set in arbitration. Senate Bill 59 fails to deal with the complex problems of achieving a consistent pay policy while maintaining collective bargaining for Oregon's state employes. This serious flaw is not a casual oversight. It represents the legislature's failure to come to grips with the conflict between collective bargaining concepts and the declared public policy of Senate Bill 484 (1983) that rates of pay should be set according to a system of "comparable worth" job classification.

Because of these serious problems with Senate Bill 59, I am convinced that this bill cannot convey us to our destination of an equitable classification system, so I must veto it.

As Governor of Oregon, I have issued an Executive Order which directs the Executive Department to :

- * Complete the classification structure in the 1985-87 biennium so that the vehicle to achieve pay equity is put in place;
- * Make a request to the Emergency Board to reserve an amount equal to the \$5 million appropriated by Senate Bill 59 for distribution to undervalued jobs effective July 1, 1986 and to obtain funding resources necessary to complete the classification structure; and
- * Prepare recommended legislation and estimated costs to further implement classification and compensation changes July 1, 1987.

The Honorable Barbara Roberts
July 15, 1985
Page 4

This will continue progress toward our goals as originally set by Senate Bill 484 (1983) by allowing time for the completion of a new classification system and resolution of the conflicts with our current system of collective bargaining.

Sincerely,



Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz

Enrolled
Senate Bill 59

PRINTED PURSUANT TO ORS 171.130 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Task Force on State Compensation and Classification Equity)

CHAPTER

AN ACT

Relating to the state compensation and classification plans; creating new provisions; amending ORS 1.008, 173.005, 173.007, 240.190, 240.215, 240.235, 243.656 and 243.746; appropriating money; and declaring an emergency.

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

SECTION 1. As used in this Act:

(1) "Comparability of the value of work" means the value of the work measured by the needs of the employer and the knowledge, composite skill, effort, responsibility and working conditions required in the performance of the work.

(2) "Compensation" means wages or salary.

(3) "Compensation plan" means the ranges of compensation for all classifications within a branch of government, as approved by the appropriate authority.

(4) "Factor" means a compensable characteristic of a position, as required in the performance of the work, and shall be:

- (a) Knowledge and composite skill;
- (b) Effort;
- (c) Responsibility; and
- (d) Working conditions.

(5) "Point factor job evaluation system" means a method of assigning points to classifications based upon the degree that the factors are required in the performance of the work.

(6) "Point value" means a numerical score representing total points resulting from application of a point factor job evaluation system.

SECTION 2. ORS 240.190 is amended to read:

240.190. [(1)] It is declared to be the public policy of the State of Oregon to attempt to achieve an equitable relationship between the comparability of the value of work, as defined in section 1 of this 1985 Act, performed by persons in state service and the compensation and classification plans within the state system. Compensation relationships are equitable within the meaning of this 1985 Act when there is a reasonable relationship between point values and compensation. The first priority in attaining equitable relationships shall be achieving compensation equity for the most undervalued classes in the lowest salary ranges. [To further this end, a single, bias-free, sex-neutral point factor job evaluation system shall be applied to all jobs in state service, across job families, to rank order jobs, to set salaries, and to create career ladders for advancement according to the value of the work performed.]

ment, occupational experience and other characteristics of the work force, to advise the authority on the point factor evaluation of classifications.

SECTION 17. (1) "Classification grievances," as defined in subsection (2) of this section, may be processed through collective bargaining agreement procedures, or as provided in the rules of the Executive Department Personnel Division. The decision of the agency shall be upheld if the decision is found to be reasonable, and based on substantial evidence. If the decision is not reasonable and based on substantial evidence, on appeal the decision shall be remanded to the agency and to the Executive Department Personnel Division for redetermination.

(2) As used in this section and in ORS 240.086, "classification grievances" means a grievance arising from the allocation of a position to a classification, the point factor evaluation of the classification, the data upon which the evaluation is based, or the creation, elimination or other significant change in job classification.

SECTION 18. Judicial Branch classification grievances and appeals shall be processed according to procedures established by the Chief Justice of the Supreme Court pursuant to ORS 1.008 (1).

SECTION 19. Legislative Branch classification grievances and appeals shall be processed according to procedures established by the presiding officers of the respective houses of the Legislative Assembly.

SECTION 20. Judicial Department employees affected by changes in the classification plan which may be proposed as a result of the study conducted pursuant to chapter 814, Oregon Laws 1983 (Enrolled Senate Bill 484), may request a review of a position allocation under the proposed plan in the manner prescribed by the Chief Justice of the Supreme Court pursuant to ORS 1.008 (1).

SECTION 21. Legislative Branch employees affected by changes in the classification plan which may be proposed as a result of the study conducted pursuant to chapter 814, Oregon Laws 1983 (Enrolled Senate Bill 484), may request a review of a position allocated under the proposed plan in the manner prescribed by the presiding officers of the respective houses of the Legislative Assembly.

SECTION 22. Notwithstanding any other law, for the biennium beginning July 1, 1985, eight full-time equivalent positions of 24-month duration and the amount of \$546,480 is established as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, excluding federal funds, collected or received by the Executive Department Personnel Division for staff and consultant costs to complete analyses relating to adjustments in the classification and compensation plan.

SECTION 23. The Executive Department shall complete the classification structure by fall 1986. It shall report results to the Emergency Board including the proposed pay line, options and estimated costs.

SECTION 24. In addition to and not in lieu of any other appropriation, there is appropriated to the Emergency Board, out of the General Fund, for the biennium ending June 30, 1987, the sum of \$5 million for the purpose of wage adjustments provided in section 14 of this Act.

SECTION 25. If any part of this Act fails to take effect because of action under section 15a, Article V of the Oregon Constitution, this Act is repealed.

SECTION 26. This Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this Act takes effect on its passage.

Passed by Senate June 20, 1985

Michel Cadmus

Secretary of Senate

John G. ...

President of Senate

Received by Governor:

11:05 M., July 11, 1985

Approved:

..... M.,, 1985

Governor

Passed by House June 21, 1985

Vera ...

Speaker of House

Filed in Office of Secretary of State:

..... M.,, 1985

Secretary of State

Enrolled Senate Bill 59

Page 7

VETOED BY GOVERNOR VICTOR ATIYEH, JULY 15, 1985, 3:47 P.M.

[Signature]



EXECUTIVE ORDER NO. EO - 85 - 12

PAY AND CLASSIFICATION SYSTEM EQUITY

IT IS ORDERED AND DIRECTED:

1. The Executive Branch of Oregon State Government shall make every effort within its existing powers to achieve state pay and job classification equity on behalf of all state employees, as that public policy is stated in ORS 240.190.
2. The method to reach this goal shall be a state pay and classification structure that is consistent, workable and fair.
3. The Executive Department shall take lead responsibility for this effort, with full cooperation from all state agencies.
4. The Executive Department shall prepare, for earliest possible Emergency Board consideration:
 - a. A proposal to reserve \$5 million for the purpose of beginning to address pay inequities in all undervalued job classifications; and
 - b. A proposal for staff and other support services to carry out this executive order, within financial limits recommended in Senate Bill 59 (1985).
5. The Executive Department, in coordination with state agencies, shall reach a single agreement with representatives of state employees before requesting distribution of the \$5 million, effective July 1, 1986.
6. The Executive Department shall recommend to the Governor, in timely fashion, a complete classification structure for state government, including a single Executive Branch pay line and estimates of costs for its implementation.
7. The Executive Department shall recommend to the Governor, in timely fashion, an implementation plan which:
 - a. Includes proposed legislation and a budget for implementation on July 1, 1987;
 - b. Has a pay line that bears a reasonable relationship to Oregon's market, without leading or trailing that market;
 - c. Allows the State of Oregon to recruit and retain competent personnel to carry out the public's business;

- d. Recommends a system which will assure continued maintenance of the classification and compensation plan; and
 - e. Provides uniformly equitable compensation - up and down the pay line - comparable to the value of work measured by the needs of the state and the knowledge, composite skill, effort, responsibility and working conditions required in the performance of the work.
8. The Executive Department shall submit a report to the Governor with legislative recommendations prior to the convening of the 64th Legislative Assembly.
9. This executive order stands rescinded on January 12, 1987.

Done at Salem, Oregon, this 15th day of July, 1985.



GOVERNOR

ATTEST:

SECRETARY OF STATE



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

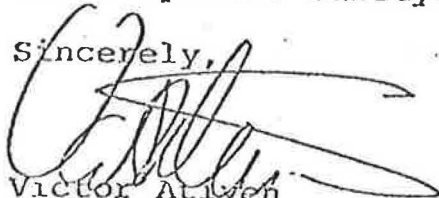
I am filing herewith Senate Bill 83, unsigned and disapproved.

Originally introduced as a Corrections Division bill, this measure was tabled early in the session but resurrected in the closing days to accommodate amendments at the request of the Oregon Jail Overcrowding Project. As passed, it directs the Corrections Division, at the request of a county, to determine the maximum number of inmates a local correctional facility can house, consistent with sound correctional practice. A county could accept the Division's recommended limit or set its own. The bill provides a mechanism for release of inmates from a local correctional facility when the designated capacity is exceeded, based on which prisoners would pose the least threat to public safety if released.

Much has been said and written in recent years about overcrowded prisons and jails. Some years ago I supported a measure which would have authorized bonding to increase state correctional facility capacities. Unfortunately, this measure was not approved by the people. I understand comparable difficulties counties face in accommodating misdemeanants and others.

Nevertheless, I do not view Senate Bill 83 as the appropriate means of resolving these concerns. I cannot approve a legislative procedure for release of prisoners on grounds that the threat they pose to the public safety is not as great as some other prisoners. It is my view that counties should continue their efforts to house adequately all persons whose release would pose a threat to the public safety.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 7, 1985

The Honorable John Kitzhaber
President of the Senate
State Capitol
Salem, Oregon 97310

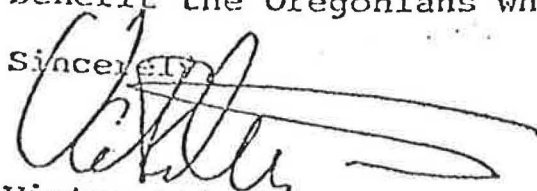
Dear Mr. President:

I am returning herewith SB 266, unsigned and disapproved.

The Federal Job Training Partnership Act (Public Law 97-300) mandated creation in Oregon of a State Job Training Coordinating Council. At present, the Council is comprised of 18 members appointed by the Governor to represent various interests as prescribed by the federal Act. SB 266 would add five new members. The Executive Department has determined that adding these five members, under various requirements prescribed by the federal Act, would require adding seven other new members to maintain appropriate ratios of representation. The resulting membership of the Council would be 30.

Almost doubling the size of the Council would require more personnel to staff it adequately, increasing costs of administering the program at the state level - costs which I am determined must be minimized. I do not believe the quality of decisions rendered by a council increases proportionately to its size. It is beyond my comprehension what expectations the supporters of this measure had by increasing the membership of the Council. The JTPA program in Oregon is recognized as the best in America. Bringing the Council to the same size as the Oregon Senate could not conceivably add a thing that would benefit the Oregonians who want jobs.

Sincerely,



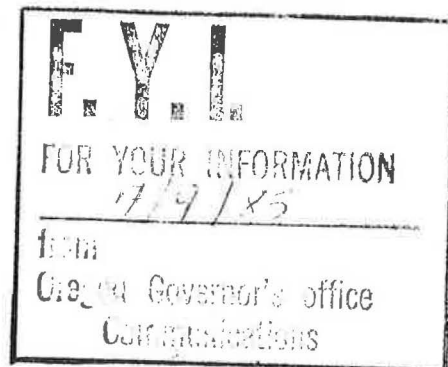
Victor Atiyeh
Governor

VA:rs

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310



July 8, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 309, unsigned and disapproved.

This measure would have made several changes affecting the Employment Appeals Board. Under current law, appointments to the Board already are subject to confirmation by the Senate, but board members serve at the pleasure of the Governor. This measure would specify a term of four years for each member, and set out a procedure for removal. It would detail the contents of an oath or affirmation to be taken by members upon assuming office. Finally, it would "stagger" the terms of members now sitting on the Board, beginning in December 1987, notwithstanding the length of their current service.

Section 2, Article XV, Oregon Constitution, already limits terms of public officers to four years. Section 3, Article XIV, requires them to take an oath before entering the duties of their offices. It always has been the practice for members of this Board to take an oath or affirmation upon entering office, similar to that of other nonjudicial officers. I do not understand why members of this board should take a special form of oath, including assurances not required under the Constitutional section cited above.

Section 4 of the bill has two vices. First, it is an infringement on the prerogatives of the Governor to remove public officers whom he is entitled to appoint. Second, it is ineffective - it requires a finding by the Governor of "inefficiency, neglect of duty or malfeasance in office," but concludes "the power of removal is absolute and there is no right of review in any court whatsoever." I cannot conceive of a Governor removing a high public officer without giving reasons for his actions, and giving that officer

Honorable Barbara Roberts
July , 1985

Page Two

an opportunity to defend himself. Nothing constructive would be accomplished by formalizing this procedure in terms of hearings and written statements, when the officer has no right of appeal in any event.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith Senate Bill 413, unsigned and disapproved.

This bill would have instituted a statutory, private right of action for students in higher education who believe they have been illegally discriminated against on the basis of race, religion, national origin, sex, marital status, age or handicap.

Some of the reasons for my veto of Senate Bill 542 apply here. Additionally, this bill has the characteristics of a "fifth-wheel on the coach." It allows pursuit of a grievance simultaneously through an administrative procedure and the judicial system. Adequate remedies, including ultimate resort to the federal courts, already exist to handle the discrimination claims which would be enhanced by this measure.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 8, 1985

The Honorable John Kitzhaber
President, Oregon State Senate
State Capitol
Salem, Oregon 97310

Dear Mr. President,

I am returning herewith Senate Bill 418, unsigned and disapproved.

This measure was directed at a statute which deals with the dispersal of unlawful or riotous assemblies. Subsection (2) of ORS 131.675 authorized law enforcement officers to command the aid of private citizens to assist in arresting those disturbing the peace, and its elimination was proposed because it has been subject to abuse. If the bill had done no more than strike that subsection, I would have signed it.

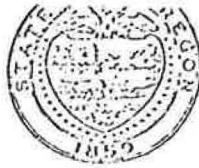
Unfortunately, the bill also strikes subsection (1) of ORS 131.675, which authorizes law enforcement officers to command the dispersal of persons who are unlawfully and riotously assembled, and to arrest them if they do not disperse. State and local law enforcement officers have advised me elimination of this subsection could cause serious problems in handling a disturbance in places other than public property. Situations can arise when it may be not be possible promptly to contact the owner or other person in charge of private property, so the criminal trespass statutes may be invoked before a disorderly group inflicts damage on property or harm to persons.

Subsection (1) of ORS 131.675 allows police to intervene in a volatile and hazardous situation before there is damage or harm. There is no evidence it has been abused in our times, as the other provision may have been and I believe its retention is necessary to protect the public peace, health and safety.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable Barbara Roberts



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 439, unsigned and disapproved.

In 1983 I vetoed House Bill 2419, a bill which would have provided for fact-finding procedures only when requested jointly by the parties to a dispute which, by statute, would terminate in binding interest arbitration. One of the grounds I used in that veto was that fact-finding serves a beneficial service by informing the public of matters at issue in public sector bargaining. Senate Bill 439 attempts to address that objection by requiring the mediator to make public a list of issues on which the parties had failed to reach agreement.

The second objection which led me to veto the 1983 bill was the experience of the State of Oregon that when final and binding arbitration is the ultimate resolution of the dispute, a great number of those disputes have been settled after the fact-finding step was completed and before the matter went into binding arbitration. This experience, as well as the experience of other political subdivisions, reaffirms my belief that current fact-finding procedures do assist in the resolution of labor disputes. The measure at hand has the same fault as its 1983 predecessor -- in effect, it allows either party to dispense with fact-finding and proceed directly into binding arbitration.

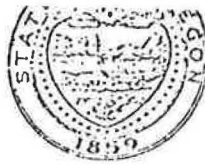
I remain convinced that fact-finding serves a valuable function. I believe it encourages both sides to define all the relative issues clearly so that arbitration, even when it occurs, proceeds in a more expeditious and equitable manner.

Sincerely,

Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 495, unsigned and disapproved.

This measure would have provided a jury trial on request of any party in a case involving discrimination in selling, renting or leasing real property or a violation of laws protecting civil rights of physically and mentally handicapped. It would have strengthened authority of the courts to provide equitable relief in such cases.

The right of trial by jury in cases arising under the common law is protected by our constitution. There are numerous causes created by statute, however, which involve administrative relief or enforcement by a court which is fundamentally of an equitable nature. Such are the proceedings which would be embraced by this bill. Senate Bill 495 would allow persons complaining of unlawful employment practices and seeking injunctive relief also to maintain damage actions including compensatory damages and punitive damages, and to insist on a jury trial. I do not see why discrimination against the handicapped should be treated differently from other kinds of discrimination, so far as legal remedies and rights are concerned.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith Senate Bill 542, unsigned and disapproved.

This measure mandates, for colleges and universities in the state system of higher education, a uniform grievance procedure for all faculty complaints related to reappointment, promotion, tenure, compensation, termination or allegations of discrimination or violations of academic freedom. Certain cases could involve contested case hearings, with consequent appeals to the courts.

Each institution which would be subject to this bill already has grievance procedures in place. The State Board of Higher Education voted last April to adopt minimum standards for grievance procedures. All have been developed with substantial faculty input, some through collective bargaining, tailored to the needs of the faculty of the respective institutions.

The Chancellor has assured me he remains committed to the principles espoused in Senate Bill 542 for a fair, calm, thorough review of appropriate employment decisions. He expects the State Board of Higher Education to ensure these principles by the implementation of its new administrative rules within a year. Senate Bill 542, on the other hand, would mandate a costly, inefficient and inflexible grievance procedure, under which personnel actions of even minor impact could be reviewed at a multitude of levels leading up to the Oregon Supreme Court.

I am convinced the Board should be allowed an opportunity to complete its project on grievance procedures which already is in motion, before there is legislative action.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

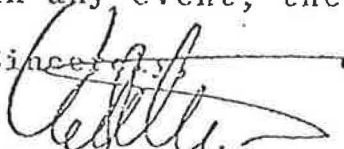
Dear Madame Secretary:

I am filing herewith Senate Bill 690, unsigned and disapproved.

This measure would have enacted provisions prohibiting payment of persons to collect signatures on initiative, referendum, or recall petitions, during the next two years. Thereafter, it would have prohibited persons paid money to do so from collecting initiative, referendum, or recall petition signatures without disclosures that the signature collectors were being paid.

The rights of initiative, referendum, recall are of constitutional origin and a means of political expression. Recent decisions by the Oregon Supreme Court and the Court of Appeals have shed grave doubt on any legislative restriction or limitation on these constitutional processes.

I believe proposals advanced through the initiative, referendum and recall ought to succeed or fail based on their merits. The petition process was designed when far fewer signatures were required in a much smaller state. There is often no practicable way a small group can have its proposal on the ballot, whatever its merit, other than by enlisting the assistance of nonvolunteer collectors. I believe petitions are signed by the great majority of citizens on the basis of their agreement or disagreement with the content, not their concern about the status of the circulators. In any event, the voters have the final say.

Sincerely,


Victor Atiyeh
Governor

cc John Kitzhaber
Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 9, 1985

Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am returning Senate Bill 769 unsigned and disapproved.

Senate Bill 769 would have expanded the audit function of the Secretary of State from "accounts and financial affairs" to include "performance." In vetoing this bill, I am mindful of opinions rendered by two Attorneys General of Oregon, of differing partisan persuasions but in accord on their interpretation of our state's constitution.

It is my understanding the Secretary submitted to Attorney General Frohnmayer this year a definition of "performance auditing," describing it as a systematic process of obtaining and evaluating evidence regarding the performance of an organization, program, function or activity. It was stated that the performance audit function would provide an "independent, third-party review of the management's performance and the degree to which the performance of the audited entity meets pre-stated expectations."

The proposal embodied in SB 769 is not novel. Attorney General Thornton dealt with a similar question in a 1962 opinion. Noting that Section 2, Article VI, Oregon Constitution, imposed upon the Secretary of State the duty to act as "auditor of public accounts," the Attorney General at length examined the historical context of the language used by the Framers in 1857. He concluded, "The Constitutional powers and duties of the Secretary of State as auditor of public accounts in general charge him with the responsibility of controlling and supervising the state's fiscal affairs, and this responsibility includes not only the function of examining claims against the state . . . but also to examine the accounts of all persons embraced within the term "auditor of public accounts" are limited to fiscal and related property accountability matters. Nothing in contemporary accounts of the

Honorable Barbara Roberts
July 9, 1985

Page Two

Constitutional Convention or contemporaneous legislation, as examined by the Attorney General, revealed an intent to give the Secretary of State a function of reviewing programs carried out by state agencies to evaluate the performance of officers and employees.

In the more recent opinion of last March, Attorney General Frohnmayer reaffirmed his predecessor's views. "It is clear that at the time the Constitution was framed, the words 'auditor of public accounts' signified, unambiguously, only fiscal auditing of public claims and accounts." He added, "The evaluation of performance generally will be only an incidental aspect of fiscal auditing . . . we reaffirm our conclusion that the Secretary of State has no constitutional responsibility to judge the efficiency and good judgment with which agencies carry out their statutory functions except insofar as these bear a relationship to fiscal accountability."

I am mindful that Section 2, Article VI, Oregon Constitution, allows the Secretary of State to "perform such other duties as shall be assigned him by law." At first glance, it might seem this would empower the Legislature to confer virtually any duty on the Secretary of State. Such cannot be the case. Other provisions of the Constitution carve out areas which are the prerogative of separate institutions or offices. For example, Section 10, Article V, Oregon Constitution, directs the Governor to "take care that the laws be faithfully executed." While there is a paucity of case-law interpreting this provision, evaluating the performance of state officers and employees is more logically an extension of this power conferred on the Governor, rather than powers conferred on the Secretary of State. As Attorney General Frohnmayer wrote, "Construing the functions of 'auditor' to encompass the evaluation of non-fiscal performance of public officers would not merely be an extension of the application of the audit function, it would constitute an impermissible enlargement of the meaning of the constitutional language as it was understood by the Framers."

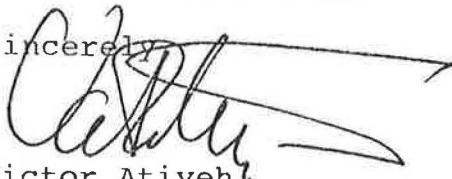
As indicated above, it is true the Legislature may confer "other duties" on the Secretary of State. Under current law, the Secretary has the duty of administering state election laws. In years past, the office was responsible for motor vehicle registration. However, in neither case was there a broad oversight over the performance of state agencies generally, such as would conflict with the Governor's authority to "see that the laws are faithfully executed."

Honorable Barbara Roberts
July 9, 1985

Page Three

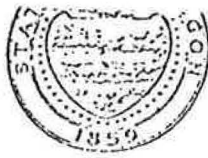
Moreover, the Secretary of State is not totally prohibited from commenting on the performance of state officers and employees. If the Secretary found, in the course of fiscal audit duties, that a state officer was totally derelict in his or her work, to the extent that state monies were being squandered for the payment of that officer's salary, comments on performance (or lack thereof) would be germane to fiscal audit. It is a far cry from that to a "systematic process of objectively obtaining and evaluating evidence regarding the performance of an organization, program, function or activity," as performance auditing was defined in the question submitted to the Attorney General some months ago. In my view, the undertaking of such a process by the Secretary of State would be an intrusion into the prerogatives of the governorship, and would not be consistent with the intent of the Oregon Constitution.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 874, unsigned and disapproved.

This measure deals with the drafting of state agency bills by the Legislative Counsel. The change I find unacceptable is in Section 3, which requires the Legislative Counsel to charge state agencies, and authorizes him to charge statewide elective officials, for drafting services pursuant to rules of the committee. Legislative Counsel also is authorized to charge a judicial branch for such services pursuant to rules of the committee.

I am disturbed that the bill appears to give the Legislative Counsel Committee unfettered discretion in setting charges for these drafting services which it deems appropriate. The staff of that committee could not give definitive responses to inquiries from my staff as to the amounts. The fiscal analysis prepared by the Executive Department and the Legislative Fiscal office estimated 1985-87 charges as \$31,800, payable out of various funds and accounts.

During each session and throughout the interim, agencies of the Executive Branch of government expend considerable amounts of time and money responding to the requests from various legislative entities. Just as there has been no charge heretofore

July 15, 1985
Page 2

for legislative drafting services, agencies in the Executive Branch have not imposed fees or charges for their services in responding to legislative requests. Perhaps there ought to be a reciprocal procedure whereby the costs of services provided by one branch to the other are reimbursed, but I cannot approve this one-sided mechanism.

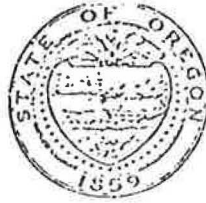
Sincerely,

A handwritten signature in black ink, appearing to read 'Victor Atiyeh', with a long horizontal flourish extending to the right.

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 903, unsigned and disapproved.

This measure was introduced to designate the Legislative Counsel as attorney of record for the Legislative Assembly, authorizing that agency to represent the Legislative branch in various legal proceedings. In the course of passage it was amended to grant the Judicial branch the same discretion in determining its legal representation needs.

Before statutes were enacted which gave the Attorney General overall powers to control state litigation policy, there were instances where appellate courts heard separate state agencies urging conflicting legal theories. I am convinced this was not in the best interest of state government. While the Three Branches are independent of control one by the other, nevertheless the State of Oregon is a single entity. Its branches ought to resolve among themselves propositions of law which are appropriate in the interest of the state. This bill is a step backwards from achievement of a unified litigation policy for the State of Oregon.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable John Kitshaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Senate Bill 907, unsigned and disapproved.

This measure was introduced at the request of the Federation of Oregon Parole and Probation Officers. Under existing law, registration number plates issued by the Motor Vehicle Division to a vehicle owned and operated by the state and its political subdivisions must contain a distinctive symbol indicating it is government owned and operated, with limited exceptions involving law-enforcement agencies. This measure would extend the privilege upon request to any "state parole or probation agency."

In 1983, I vetoed Senate Bill 389, which would have extended a similar privilege to parole and probation agencies. The general policy requiring distinctive registration plates and the marking of public vehicles reflects a perception that the business of state government is the business of the public, and must be carried out in a manner so as to withstand public scrutiny. While the vast majority of individuals using publicly-owned vehicles limit this use to entirely proper and necessary occasions, there have been instances where improper or unnecessary uses have come to the attention of the Department of General Services through public observation of distinctive plates or markings. Corrective action in such cases might not have been possible had the vehicles in question carried regular plates or lacked distinctive markings.

As in 1983, I have been attentive to arguments advanced by the proponents of this measure, both before respective legislative committees and at other times. I recognize the need of law-enforcement for anonymity in the conduct of undercover operations. A case can be made that, on occasion, it would be appropriate to assure anonymity in several other governmental activities, including parole and probation programs. However, I cannot approve routine

Honorable Barbara Roberts
July 15, 1985

Page Two

application of this criteria in view of the public interest of having state activities involving use of motor vehicles conducted openly.

Sincerely,

A handwritten signature in cursive script, appearing to read "Victor Atiyeh", written over a horizontal line.

Victor Atiyeh
Governor

cc: Honorable John Kitzhaber
Honorable Vera Katz



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2001, unsigned and disapproved.

This measure could be described generally as one which requires the divestiture of Public Employees' Retirement Fund monies and other state funds invested in activities related to the Republic of South Africa; of investments in banks loaning to the government or companies of the Republic of South Africa, or investments in stocks and bonds of its companies; and of companies doing business in the Republic of South Africa, based on specified criteria.

This veto is personally very difficult for me. First because it will be perceived by some that I have abandoned my deep, long standing commitment to the Blacks in Oregon and the United States or because some will believe I condone apartheid institutionalized in government. Neither is nor will ever be the truth. My repugnance to the practice of apartheid in the Republic of South Africa is total and unabated. The fear, suffering and degradation of those humans who are so cruelly the victims of apartheid cannot be defended with anyone of conscience.

If nothing else this effort in Oregon, as it is around this country, should turn our eyes inward to the inequities practiced upon our Black community in the United States. We cannot be offended only by the worst cases in other parts of the world and overlook our centuries of oppression of Blacks here at home. I yearn for the same energy, emotion and commitment to adjusting our attitude in the United States.

Opposition to apartheid, a policy on which my position is very clear, is not the issue in House Bill 2001. The only real question posed by this bill is whether or not the trust funds of individuals can be used for statements of righteous indignation or social action by the Legislature, the Governor or any other official?

Honorable Barbara Roberts
July 15, 1985

Page Two

My answer, by this veto, is that we cannot. The fund is simply an individual "savings account" held collectively in trust by this government for the benefit of each contributor.

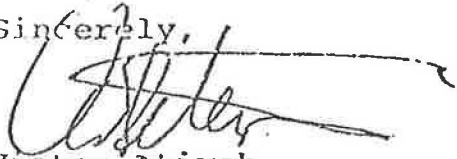
I would have found the solution offered by our State Treasurer most acceptable in which each beneficiary could volunteer their funds to a separate account following the lines of House Bill 2001. I would have offered mine for such an effort, and I believe hundreds of others would have followed suit.

The sponsors of this bill worked hard to perfect a good measure and were most responsible and concerned about the fiscal integrity of the fund. They did an excellent job in that context and I congratulate them. I only differ in that, as I stated before, this is not their fund to do with as they wish, even on an issue as significant and morally right as that stated in House Bill 2001.

As indicated at the beginning this has been a decision in which my heart and reason were at terrible odds. I know, as the sponsors of this bill put on paper, that we want to scream as loudly as we can in protest of a disgusting form of suppression of humans. But reason must prevail, as painful as it is for me.

Let no one mistake my action as a victory for apartheid. The Legislative statement is one to which I prescribe. My efforts will continue to be supportive of congressional action against apartheid, an arena by far more potent to bring about reform that we so truly wish to accomplish.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable Vera Katz
Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith, unsigned and disapproved, House Bill 2065.

There were some meritorious provisions in this bill. I have no objection to sections which regulate the voting stations and deal with minor political parties. One provision prohibits under heavy penalties bringing into this state a person who is not a resident of this state for the purpose of voting. No rational person with good intentions could have opposed such a provision. If it were possible, I would have allowed all these parts of the measure to become law.

Nevertheless, I see the potential for great mischief in Sections 8 and 9 of the bill. These amend existing law which restrict political activities by public employees, making a specific exemption for employees within the offices of the presiding officers, and majority and minority leaders of either House of the Legislative Assembly. It would be naive to suppose employees or leaders in the various branches of state government do not, to some extent, engage in activities which some could perceive as "political." Exemption from the sections noted, however, would do two things. First, it would exempt such employees from protection from solicitation by political committees. Second, it would free them to solicit money, influence, services and other things of value to promote or oppose candidates and measures while on the job during working hours. Perhaps it may be appropriate to re-examine the application of ORS 260.432 to public employees in sensitive positions, but this should be done in the context of a general review of public employees throughout government, not simply a limited number of employees within the Legislative offices of the Capitol.

Sincerely,


Victor Atiyeh
Governor

cc The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith, unsigned and disapproved, House Bill 2161.

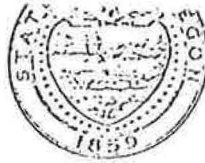
This measure adds community colleges to other employers of teachers (school districts and educational service districts) required to recognize accumulated sick leave of transferring employees for purposes of retirement benefit computation. Proponents argued this would facilitate transfers and interchange of teachers between employers.

Earlier this session I vetoed HB 2472, which would have allowed employees of various local school districts being recruited by the Department of Education to transfer accumulated sick leave acquired during their employment with the district, for purposes of determining retirement benefits. I disapproved that measure because I saw it as creating an inequity among state agencies, allowing one to offer a special incentive to persons being recruited from local entities, while others could not. I perceive HB 2161 also as creating an inequity, even though broader, among members of the Public Employees' Retirement System. In vetoing this measure, I recommend an interim study by the Legislature of the whole issue of transfer of sick leave from one governmental agency to another for retirement computation, so a comprehensive and equitable policy may be implemented in 1987.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2275, unsigned and disapproved.

This bill would allow the Metropolitan Service District (Metro) to levy an excise tax on services. The two services presently authorized by the voters of Metro include the Washington Park Zoo and the St. Johns Landfill.

Recently I signed legislation that extended and raised the per capita tax on cities and counties levied by Metro. I am disinclined to approve another revenue source for this organization. My rationale is based on a desire to see the Metropolitan Service District go before the voters for a permanent tax base. House Bill 2275 and the excise tax authority serve as a disincentive in accomplishing this objective.

There were provisions of the bill which I supported. Those dealt with the number of signatures required for initiatives and referendums. The legislation proposed a reduction in signatures for both initiative and referendum that would have allowed citizens to speak with a greater voice in Metro policy. However, my strong desire to see the Metropolitan Service District establish a tax base overrode my support for the signature provisions. Hopefully by vetoing this legislation, I will have sent a clear message to the elected Metro Council and the Executive Director on what I believe is an appropriate course of action.

Sincerely,

A handwritten signature in black ink, appearing to read "Victor Atiyeh", written over the word "Sincerely,".

Victor Atiyeh
Governor

cc John Kitzhaber
Vera Katz

VA:av

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2285, unsigned and disapproved.

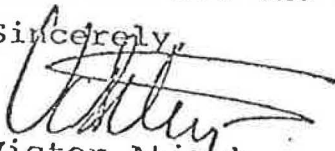
I find no fault with that provision of the bill which reflects the special situation of the State Military Department under the federal Tort Claims Act. However, other provisions of the bill increase from \$300,000 to \$500,000 the liability of a public body in tort, and allow a claimant to recover additional special damages not exceeding \$100,000 as special damages arising out of a tort claim.

Some increase in the maximum amounts of a liability might be in order to reflect inflationary trends. However, I am disturbed because another bill sponsored by the Department of General Services (HB 2153) did not reach the floor of the legislative assembly. This measure would have limited the state's liability as a joint tort-feaser to its share of damages as determined by the event. This would have caused liability for damages to have fallen where it properly belongs, rather than being assigned on the basis of the so-called "deep pocket" theory.

Estimates by the Executive Department and the Legislative Fiscal Office indicate state agencies could be liable for an additional \$1.9 million in premiums on liability during the 1985-87 biennium and even more during the succeeding biennium.

If House Bill 2153 had been passed as a companion to this measure, so there would have been equitable sharing of liabilities to match government's increased liabilities, I might well have signed both. That was not the case.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable Vera Katz
Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith House Bill 2304, unsigned and disapproved.

This measure deals with a small state agency, the Commission on Uniform State Laws. I find no fault with that provision which increases the membership of the Commission, because some serve by virtue of their life membership in the National Conference of Commissioners on Uniform State Laws; nor am I greatly disturbed by a provision authorizing the state to pay the expenses of members, as monies from time to time are appropriated.

My objection is based on subsection (5) of the amendment to ORS 172.010, which limits appointive commissioners to two successive terms. It is a healthy thing, in the case of most boards and commissions, to have a turnover in membership, so new ideas can be brought forward reflecting changing circumstances. This Commission differs. It does not regulate or govern activities in Oregon, but is a representative group from Oregon to a national conference. In this national conference, the influence of Oregon depends to a great extent on the seniority of its representation. While my veto should not be construed as the endorsement of any member now sitting, nevertheless I do not believe the Legislative Assembly should effectively limit forever Oregon's influence in the National Conference of Commissioners on Uniform State Laws, by imposing a fixed limitation on the seniority of its representatives to that conference.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June 14, 1985

The Honorable Vera Katz
Speaker of the House of Representatives
State Capitol
Salem, Oregon 97310

Dear Madame Speaker,

I am returning herewith House Bill 2472, unsigned and disapproved.

This measure would have allowed employees of various local districts being recruited by the Department of Education to transfer up to 75 days of accumulated sick leave acquired during their employment with a district. For the purpose of determining retirement benefits, the Department of Education would be required to permit such an employee to transfer an unlimited number of days of accumulated sick leave in this manner.

The Superintendent of Public Instruction has told me his department recruits personnel from local districts much more frequently than other agencies recruit personnel from cities, counties and other units of local government. He advises me his department faces a serious handicap in recruiting competent and promising people in this manner, because such persons frequently must take a cut in pay and benefits to come from a local district position to a comparable state department position. This bill, he says, would address part of the inequity.

I recognize the Department of Education's problem. However, I believe this bill is an example of trying to solve one inequity by creating another. Allowing state agencies to give credit for sick leave, transferred by persons recruited from local jurisdictions, is a proposal which may well merit study and perhaps even implementation. There are many instances where incumbents of state jobs are paid less than their counterparts working for local jurisdictions. However, if such a change is made it ought to be on a systematic basis, and not in a manner which gives a favored position to the recruiting efforts of a single department.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
The Honorable Barbara Roberts

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

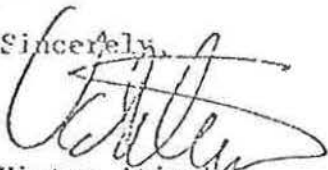
Dear Madame Secretary:

I am filing herewith House Bill 2480, unsigned and disapproved.

This bill has many attractive features which should be adopted by the Adult and Family Services Division, and I am directing that they do adopt them.

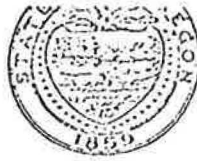
None of these things require legislation. Placing such conditions in the law unnecessarily complicates a program which is already more complex than is desirable, and increases the potential for litigation to secure benefits because of technicalities rather than financial need.

Sincerely,


Victor Atiyeh
Governor

cc The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

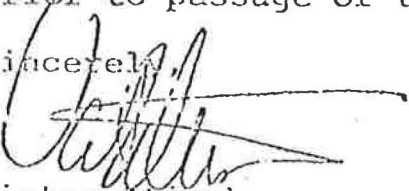
Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2510, unsigned and disapproved.

While some provisions in this bill are not objectionable, others I deem contrary to good public policy. Chief among these is Section 8 of the bill which would revive lawsuits previously dismissed on grounds they were barred by statutes of limitation. It is my view there must be certainty at some point in legal matters. While it may not be inappropriate to extend the statute of limitation as to cases not yet barred, I cannot approve the revival of cases otherwise barred by laws known to plaintiffs prior to passage of this Act.

Sincerely,



Victor Atiyeh
Governor

cc: Honorable Vera Katz
Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

Honorable Barbara Roberts
Secretary of State
State of Oregon
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith House Bill 2529, unsigned and disapproved.

This measure would have required the International Trade Division of the Economic Development Department to establish a list of firms benefitting from the apartheid policies of the Republic of South Africa and Namibia. It would have directed a state public contracting agency to reject the lowest responsible bid by any company so listed, if there were another responsible bid within 2% thereof by a company not on the list.

My vehement opposition to the apartheid policies of South Africa and of Namibia is so well known, I do not see the need to restate it here. If it were within my power, I would leave intact Section 1 of the bill, wherein the Legislative Assembly denounced these policies.

Nevertheless, there are two problems involved in this bill.

First, it would be an administrative nightmare for the Economic Development Department to prepare a list of businesses nationwide which conduct their affairs in South Africa and Namibia, and then determining whether those businesses adhere to either the expanded "Sullivan Principles" or a comparable, independent monitor. In addition, enormous effort would be required to check and screen bidders on all public contracts.

Second, the bill does not define "strategic products or services" supplied to the two offending governments. One assumes this refers to products or services useful in the implementation of military strategies of these countries -- but students of military history can bear witness that virtually any product or service may have strategic value, depending on the circumstances.

The Honorable Barbara Roberts

July 15, 1985

Page 2

A handwritten signature in dark ink, appearing to read "Victor Atiyeh", written in a cursive style.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitshaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith, unsigned and disapproved, House Bill 2638. Sponsored initially by the American Civil Liberties Union, this measure would limit a peace officer's authority to use deadly physical force; require a warning when feasible before use of such force; and provide immunity from claims for failure to use deadly force. Additional provisions, to which I had no objection, related to the dispersal of unlawful or riotous assemblies.

I am advised that, at one point during the closing hours of the regular session, it appeared a compromise could be reached which would be acceptable to the criminal justice community and the proponents of the measure. Unfortunately, this did not happen. Recommendations for a veto are on my desk from the Oregon Association of Chiefs of Police, the Oregon State Sheriff's Association, the Department of State Police, and the Oregon Department of Justice.


The measure was intended to bring Oregon's statutory law into conformity with the United States Supreme Court's recent decision regarding use of deadly force to apprehend fleeing suspects. It goes beyond the requirements of that decision in at least one important respect. The Court held that an officer could apprehend a fleeing suspect if the suspect posed a threat of "serious physical harm to the officer or others, or had committed a crime involving infliction or threatened infliction of 'serious physical harm.'" This measure uses the phrase "serious physical injury." Oregon's statutory definition of "serious physical injury" is much more restrictive than what the Supreme Court is understood to have intended by "serious physical harm." Under Oregon case law, an officer might not be able to tell until after the event whether an act constitutes infliction of "serious physical injury."

Additionally, some acts by a suspect which might not constitute a threat of "serious physical injury" nevertheless might justify use of deadly force under particular situations, even under the United States Supreme Court decision. The same rule cannot rigidly be applied to a case in a metropolitan area where several police officers converge on a lone suspect and one in a remote rural area where several suspects converge on a lone police officer.

The Honorable Barbara Roberts
July 15, 1985
Page 2

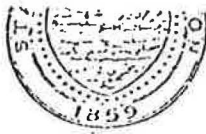
I do not pretend there are not cases where police officers have not used deadly physical force unjustifiably. I do believe these are few in number, and I do not see this bill as a constructive step in law enforcement.

Sincerely,



Victor Atiyeh
Governor

cc The Honorable John Kitzhaber
The Honorable Vera Katz



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 13, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, OR 97310

Dear Madame Secretary:

I am filing herewith, unsigned and disapproved, House Bill 2719.

This bill would have directed the Department of Education to design a comprehensive educational program presenting a "balanced discussion" of such matters as the history of the nuclear arms race; the short, intermediate and long-term dangers and consequences of the use of nuclear weapons; the effect of the nuclear arms race on the local and national economies; the changing nature of armed conflict in a nuclear age; and alternative forms of international conflict resolution. The measure states each school district "may" adopt or modify and implement the educational program.

My position on the nuclear arms race has been a matter of record for years. I have stated publicly my support for a mutually verifiable freeze on development and stockpiling of nuclear arms. My disapproval of this bill in no way reflects a retraction of that position. Moreover, in no way is it a response to what was obviously an orchestrated campaign of telephone calls to my office in opposition to the measure. The record ought to show my decision on approving or disapproving a bill depends on its merits, and does not involve counting the messages which come to my office urging one action or the other.

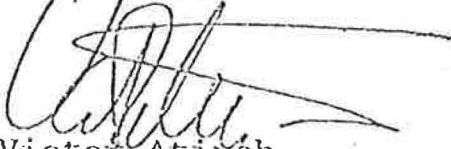
The Honorable Barbara Roberts

July 13, 1985

Page 2

I proposed legislation during the current session which would establish a basic educational curriculum for our public schools. In so doing, I believed it appropriate the taxpayers be assured their children will receive instruction in such fundamental disciplines as mathematics, history, language, etc. I do not believe it appropriate that the Legislature mandate preparation of special curricula on topical, national issues. The fact that school districts "may" adopt or modify and implement the curriculum reinforces my view of this measure as unnecessary legislation.

Sincerely,



Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

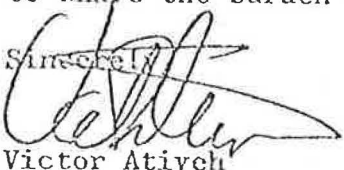
Dear Madame Secretary:

I am filing herewith House Bill 2767, unsigned and disapproved.

There are several unobjectionable features of this bill, such as authorizing the Motor Vehicles Division to establish a reasonable fee for furnishing an abstract driving record, and requiring more specificity in recording violations of the basic speed rule or of the fuel conservation maximum speed limit. As passed it also prohibits consideration, by casualty insurers, of accidents or convictions occurring more than three years prior to application for a policy or renewal of a policy.

The fundamental concept of insurance is "spreading the risk." However, it has long been held appropriate to evaluate the risk an applicant poses by relating him or her to rational categories of experience. Arbitrarily to disregard some of that experience, with respect to any category, is to shift part of the burden of the risk on another category. I do not deny that some individuals, as they mature, may improve driving attitudes and habits. Nevertheless, I do not believe it appropriate to require insurers to close their eyes to the past, and require those whose driving attitudes and habits always have been acceptable to share the burden equally with those whose attitudes and habits have not.

Sincerely,


Victor Atiyeh
Governor

cc The Honorable John Kitzhaber
The Honorable Vera Katz

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary,

I am filing herewith House Bill 2802, unsigned and disapproved.

This measure would have established an Oregon Board of Licensed Counselors, with authority to regulate those who intend to use the titles "Licensed Clinical Mental Health Counselor" or "Licensed Mental Health Counselor." "Mental health counseling" generally would have been defined to include assistance to clients with "current or potential problems and to facilitate change in thinking, feeling and behaving." It would have included the appraisal of activities involving "selection, administration, scoring and interpretation of instruments designed to assess an individual's aptitude, attitudes, abilities, achievements, interests, personal characteristics and mental and emotional problems." The activity further would have included research activities "including reporting, designing, conducting or consulting on research and counselling with human subjects," and referral activities "including the evaluation of data to identify problems and to determine the advisability of referral to other specialists."

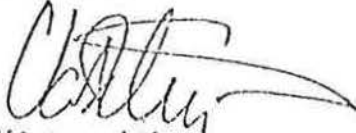
This measure was introduced at the request of various associations of counselors. It was not advocated directly by the Mental Health Division of the Department of Human Resources, but I am aware that agency did not actively oppose its passage.

Some years ago the Legislative Assembly created a "sunset review" procedure for various state agencies, with emphasis on boards and commissions regulating various professions and occupations. It was widely perceived that government had intruded too deeply into the activities of the private sector through various means of regulating citizen activities, and it was even suggested that some licensing and certification programs might be of more benefit to established practitioners than to the public generally. The results of that "sunset review procedure have been disappointing. Rather than pruning superfluous programs, nearly all have been recommended for reenactment and consequently reenacted, while new regulatory schemes have been established.

The Honorable Barbara Roberts
July 15, 1985
Page Two

While I have allowed many questionable regulatory bodies to continue, my general view remains that government should establish bureaucracies and restrict legitimate professions and occupations only to the extent demonstrably essential to protect the public peace, health and safety. The need for such protection, in my view, does not exist in this case.

Sincerely,

A handwritten signature in cursive script, appearing to read "Victor Atiyeh". The signature is written in dark ink and is positioned above the printed name and title.

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 15, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Madame Secretary:

I am filing herewith Enrolled House Bill 2817, unsigned and disapproved.

The principal purpose of the measure was to prohibit termination of local exchange telephone service if termination would have significantly endangered the physical health of the residential consumer. Current statutes deal only with electric and natural gas service.

There has been no showing that a substantial problem exists. The bill itself, however, would create problems by burdening the local telephone companies with unnecessary paperwork and with additional costs that would have to be borne by other customers. Neither the existing law nor House Bill 2817 define what is meant by "significantly endanger". The bill did not provide an income test, so that even those able to pay would have had an avenue for escaping payment for local exchange service.

The concept of the bill is not wholly without merit, however. Besides the provisions on termination of local exchange service, the measure would have amended existing statutes to provide further protections against termination of service to electric and natural gas company customers. Some of these, too, appear reasonable. Included are sections relating to the number of persons who may issue medical statements and to the format for notices of proposed termination of service.

The Public Utility Commissioner has informed me that he already has plans to amend existing rules concerning termination of residential electric or natural gas service because at least one section is inconsistent with legislative intent. I believe

it would be appropriate for him at the same time to considering adopting as rules the section of House Bill 2817 concerning who may issue a medical certificate and the section that would make termination notices more readily understandable. In addition, I am recommending that he consider adopting rules that would provide protection against termination of local exchange service when a customer's health might be endangered, but to do so in a way that will be less burdensome and less costly to the telephone companies than would have been the case had House Bill 2817 become law.

Finally, a Legislative Interim Task Force on Telephone and Telecommunication Services was established by House Bill 2842, a measure which I have signed. The committee will be looking into, among other things, "lifeline" telephone service. The issue of non-termination of telephone service where health might be significantly endangered could be addressed in that study as well.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Victor Atiyeh', with a long horizontal line extending to the right.

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

June , 1985

The Honorable Vera Katz
Speaker of the House
of Representatives
State Capitol
Salem, Oregon 97310

Dear Speaker Katz,

I am returning herewith HB 2900, unsigned and disapproved.

This measure would have required any person employing or contracting with an individual under 18, on a commission or piece rate basis, to pay at the same rate as similar work performed by persons 18 and over. The requirement would apply not only to agricultural labor, but all other types of employment.

The segment of the economy newly affected by this bill would be primarily the delivery of newspapers and periodicals by young persons - commonly known as "newsboys" or "newsgirls." On the face of it, this measure would appear fair. It is not easy to veto a bill which would prohibit payment of lower compensation simply because the recipient is youthful. However, young carriers ordinarily receive considerably more supervision than do their adult counterparts, sometimes involving pick-up from and delivery to their homes. While they receive cash for their delivery services, it is commonplace for publishers to offer various "fringes" for high performance - including, for instance, scholarships and group trips. Such enhancements generally are not available to adult carriers.

I am aware of arguments advanced many times during past years - that regulating wages of children would only put them out of work. One must recognize these arguments sometimes were put forward by those more interested in cheap labor than the well-being of children. That is not the case here. I do not see grounds on which to maintain that children are being exploited through employment as carriers. Moreover, as long as a publisher must pay a child the same rate as an adult, there is little reason for these employers to employ minors as carriers, much less to continue the many incentives and activities which have helped launch careers leading to leadership in the public and private sectors.

Hon. Vera Katz
June , 1935
Page 2

It should be noted that the veto of HB 2900 leaves intact ORS 653.027, existing law governing compensation for children employed in agricultural labor.

Sincerely,

A handwritten signature in dark ink, appearing to read "Victor Atiyeh", with a long horizontal flourish extending to the right.

Victor Atiyeh
Governor

cc: The Honorable John Kitzhaber
President of the Senate

VICTOR ATIYEH
GOVERNOR



OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310

July 3, 1985

The Honorable Barbara Roberts
Secretary of State
State Capitol
Salem, Oregon 97310

Dear Mrs. Roberts:

I am filing herewith Enrolled House Bill 2976, unsigned and disapproved.

The centralization of all administrative responsibilities within the Office of the Director of the Department of Human Resources would result in such a massive administrative unit that authority and flexibility of the divisions within the Department would be substantially diminished. This direction, coupled with the requirement to report any delegation to the Legislative Assembly, imposes an unnecessary burden on the Executive and intrudes well into the prerogatives of that branch.

The requirement to make available all federal agency reports to the Legislature's presiding officers would create a massive paper processing exercise for both the Department and the Legislature. Such an exercise would serve no useful purpose, as relatively few documents are pertinent to the discussion of any issue before the Legislature. In those instances, any report is now available upon request and is always furnished promptly.

I am not insensitive to those who would want closer communication with the Department of Human Resources and have asked the Director to be aware of and address those interests. This bill is not required in order to achieve that goal.

Sincerely,

Victor Atiyeh
Governor

cc: The Honorable Vera Katz
The Honorable John Kitzhaber