



Oregon

John A. Kitzhaber, Governor

Citizens' Initiative Review Commission

P.O. Box 9156

Portland, Oregon 97207-9156

Phone: (503) 508-0886

E-Mail: info@circommission.org

Web Site: www.Oregon.gov/CIRC

WHO: Citizens' Initiative Review Commission

WHEN: Monday, March 10, 2014– 9:00 A.M.

WHERE: College of Urban & Public Affairs
Portland State University
506 S.W. Mill Street, Room 750A
Portland, OR 97201

What is the purpose of the meeting?

The purpose of the meeting is to conduct regular commission business. Please use appropriate language, manners, and protocols when conducting commission business. A copy of the agenda is printed with this notice. Please visit <http://www.oregon.gov/CIRC/meetings.shtml> for current meeting information.

Is the public allowed to attend the meeting?

Yes. Members of the public are invited and encouraged to be in attendance at all commission meetings. All public audience members are asked to sign-in on the attendance roster prior to the meeting. Comments may be heard under public comment at the end of the meeting. Please wait to be recognized by the Chairperson prior to commenting.

What if the board/council enters into executive session?

Prior to entering into executive session the commission chairperson will announce the nature of and the authority for holding executive session, at which time all audience members are asked to leave the room with the exception of news media and designated staff. Executive session would be held according to ORS 192.660.

No final actions or final decisions will be made in executive session. The commission will return to open session before taking any final action or making any final decisions.

Who do I contact if I have questions or need special accommodations?

The meeting location is accessible to persons with disabilities. A request for accommodations for persons with disabilities should be made at least 48 hours before the meeting. For questions or requests call 503-508-0886. All members are asked to please give at least 24-hour notice if they are unable to attend the meeting so arrangements may be made.



Citizens' Initiative Review Commission



9:00 A.M., Monday, March 10, 2014

Room 750A
College of Urban & Public Affairs
Portland State University
506 S.W. Mill Street
Portland, OR 97201

- Call to order
- Approval of minutes from January 29, 2014 administrative rules hearing
- Approval of minutes from January 30, 2014 Commission meeting
- Review of work plan
- Financial update
- Review and approval of biennial Semi-Independent Agency report
- Review and approval of administrative and program service contracts
- Legislative update
- Review of administrative rule options
- Review of Commissioner terms
- Other items for Commission interest



Citizens' Initiative Review Commission



Administrative Rules Hearing



11:00 A.M., Wednesday, January 29, 2014

Room 710

College of Urban & Public Affairs

Portland State University

506 S.W. Mill Street

Portland, OR 97201

MINUTES

COMMISSION MEMBERS PRESENT:

Marion Sharp

ADMINISTRATIVE SUPPORT PRESENT:

Tony Iaccarino, Administrative Coordinator

MEMBERS OF THE PUBLIC PRESENT:

None

The Proposed Administrative Rules Hearing was held Wednesday, January 29 in Room 710 of Portland State University's College of Urban & Public Affairs, 506 S.W. Mill Street, Portland, OR.

For the record, the Notices of Proposed Rulemaking Hearing and corresponding Fiscal Impact Statements were published in the January 1st Edition of the Oregon Bulletin. Pursuant to ORS 183.335 the Notices were also sent to the appropriate Legislators. The Notices and Fiscal Impact Statements, along with the proposed rules, were also sent to all Interested Parties as well as the Associated Press and Capitol Press Room. Furthermore, the Notices and Fiscal Impact Statements, along with the proposed rules were posted on the Commission's public website.

The Hearing was convened, at 11:00 AM, by Tony Iaccarino, Administrative Coordinator and Presiding Hearing Officer.

No members of the public appeared to present verbal or written testimony for or against the proposed rules. Given the absence of testimony, Mr. Iaccarino recommended that the proposed rules be adopted.

Mr. Iaccarino adjourned the Hearing at 12:00 PM.



Citizens' Initiative Review Commission
Commission Meeting



9:00 a.m., Thursday, January 30, 2014
School of Urban & Public Affairs
Portland State University
506 S.W. Mill St., Room 611
Portland, OR 97201

MINUTES

MEMBERS PRESENT:

Jerry Hudson, Chair
James Huffman, Vice-Chair
Ann Bakkensen
Mary Forst
Robin Gumpert
Kay Ogden
Marion Sharp

MEMBERS ABSENT:

Daniel Esqueda

ADMINISTRATIVE SUPPORT PRESENT:

Tony Iaccarino, Administrative Coordinator

GUESTS PRESENT:

Ned Crosby

Call to Order

Jerry Hudson, Chair, called the meeting of the Citizens' Initiative Review Commission (CIRC) to order at 9:10 a.m., Thursday, January 30, 2014, at the School of Urban & Public Affairs, Portland State University, 506 SW Mill Street, Room 611, Portland. Roll was called.

Approval of Minutes – December 11, 2013

Ann Bakkensen made a motion to approve the minutes from the December 11, 2013 meeting. Kay Ogden seconded the motion. Commissioners voted unanimously to approve the motion.

Financial Report

Hudson introduced the CIRC financial report containing information regarding revenues and expenditures for the 2013-2015 biennium as of January 27, 2014. He noted a current balance of \$20,999.

Review of Proposed Administrative Rules

Hudson introduced the minutes of the January 29, 2014 Administrative Rules Hearing regarding three proposed administrative rules: 710-001-0000 (Notice of Proposed Rulemaking), 710-001-0005 (Model Rules of Procedure), and 710-005-0005 (Commission Budget). Tony Iaccarino served as presiding officer for the January 29 hearing, with one member of the CIRC, Marion Sharp, also present. No members of the public attended the hearing and no written comments were submitted prior to the public comment deadline of January 29, 2014 at 12:00 p.m. Given the absence of public comment, Sharp made a motion that the three rules be adopted as proposed and that they be filed with the Secretary of State. Ann Bakkensen seconded the motion. Commissioners voted unanimously to approve the motion.

Review of Administrative and Program Services Proposals

Hudson introduced two proposals to provide administrative and/or program services for the CIRC, resulting from an informal Request for Proposals by the CIRC for such services. After a review of the proposals by Commissioners, Bakkensen moved that the CIRC proceed with contractual arrangements with the Policy Consensus Initiative to provide administrative services. Kay Ogden seconded the motion. Commissioners voted unanimously to approve the motion. Ogden then moved that the CIRC proceed with contractual arrangements with Healthy Democracy to provide program services. Robin Gumpert seconded the motion. Commissioners voted unanimously to approve the motion.

Commissioner Compensation

Commissioners requested that Iaccarino make inquiries regarding Commissioner per diems and travel reimbursements and that he report back at the subsequent meeting.

Other Items for Commission Interest

Commissioners expressed an interest in exploring new potential administrative rules relating to: ballot measure selection criteria for the Citizens' Initiative Review (CIR); length of the CIR process; and CIR panelist stipends.

Hudson informed Commissioners that a bill with bipartisan co-sponsors, SB 1544, relevant to the CIRC, was pre-session filed. The bill proposes a number of minor changes designed to improve the efficacy and reduce the cost of the CIR process. It also proposes lifting the 2015 sunset on the CIRC. Commissioners expressed a willingness to support and provide public comment on the bill if asked.

Hudson noted that independent researchers who had evaluated both the 2010 CIR pilot as well as the 2012 CIR had recently received word that they would likely receive a major grant from the National Science Foundation. The grant will ensure that a rigorous independent evaluation will be conducted not only for the 2014 Oregon CIR, but also for potential pilots, inspired by the Oregon CIR, in other states as well.

The meeting adjourned at 10:21 a.m.

Prepared by: Tony Iaccarino, Administrative Coordinator

CITIZENS' INITIATIVE REVIEW COMMISSION 2013-15 WORK PLAN

| *Approved December 11, 2013; potential modifications as of March 6, 2014*

Key goal:

- To provide oversight of the Citizens' Initiative Review (CIR) in a manner that ensures its integrity, effectiveness, and sustainability

Key tasks:

- Regularly assess progress toward key work plan tasks and revise as needed
- Develop 2013-15 biennium budget
- Approve new contracting and personnel policies and procedures
- Establish new FDIC-insured depository account
- Review and approve final Commission report on 2012 CIR
- Adopt administrative rules re procedures and budget
- Consider additional administrative rules re CIR process, moderators, and criteria for ballot measure selection
- Secure long-term administrative services contract
- Secure program services contract for 2014 CIR
- Review and approve abbreviated biennial Commission report on financial and other activities
- Review and approve policies & procedures for 2014 CIR
- Review Commissioner terms, plan for new appointments
- Determine sufficiency of funds
- Select 2014 ballot measures for review
- Review and approval of annual financial report for previous fiscal year
- Review panelist and moderator evaluations of 2014 CIR to develop Commission findings and recommendations re CIR
- Develop and approve 2015-17 biennium budget

Meeting Dates:

- December 11, 2013
- January 30, 2014
- March ~~10-24-26~~, 2014 (precise date TBD)
- July 8-10, 2014 (precise date TBD)
- November 18-20, 2014 (precise date TBD)
- March 10-19, 2015 (precise date TBD)

December 11, 2013 Meeting:

- Review and approve final Commission report on 2012 CIR (due Dec 31, 2013)

January 30, 2014 Meeting:

- Adopt administrative rules re procedures and budget
- Review and decide long-term administrative services options
- Review and decide program services contract for 2014 CIR

- Consider additional rules re CIR process, moderators, and criteria for ballot measure selection
- Standing legislative and financial updates

March 10 {24-26}, 2014 Meeting:

- Review and approve abbreviated biennial Commission report on financial and other activities (due April 1, 2014)
- Review administrative rule options re ballot measure selection and panelist stipends
- Determine sufficiency of funds to carry out duties of CIR Commission and to pay for statements to be printed in Voters Pamphlet (required by July 4, 2014); likely to occur via phone conference in June 2014 after funds are deposited
- Review Commissioner terms, plan for new appointments (terms are four years, with no more than six member terms expiring every two years)
- Approve administrative and program services contract(s)
- Standing legislative and financial updates

June [mid-June] 2014 Brief Phone Conference Meeting:

- Determine sufficiency of funds to carry out duties of CIR Commission and to pay for statements to be printed in Voters Pamphlet (required by July 4, 2014);

July [8-10], 2014 Meeting:

- Review and approve policies & procedures for 2014 CIR
- Select 2014 ballot measures for review
- Review and approve annual financial report for previous fiscal year ending June 30 (to be made public and with copy to DAS by Sept 30)
- Adopt temporary administrative rule re panelist stipends
- Standing legislative and financial updates

November [18-20], 2014 Meeting:

- Review panelist and moderator evaluations of 2014 CIR to develop Commission findings and recommendations re CIR
- Appointment of new Commissioners
- Adopt permanent administrative rule re panelist stipends
- Standing legislative and financial updates

March [10-19], 2015 Meeting:

- Develop and approve 2015-17 biennium budget
- Approve contract for 2015-17 biennium
- Standing legislative and financial updates

**Pursuant to ORS 182.472
A Report of the Work of the
Citizens' Initiative Review Commission**

Submitted by the
CITIZENS' INITIATIVE REVIEW COMMISSION

to

**The Governor
The President of the Senate
The Speaker of the House of Representatives
The Legislative Fiscal Officer**

March 6, 2014

INTRODUCTION

The Citizens' Initiative Review Commission

The Citizens' Initiative Review Commission was established pursuant to HB 2634, which was signed into law by Governor John Kitzhaber on June 16, 2011. The mission of the CIR Commission is reflected in the original preamble to HB 2634, which states that "informed public discussion and exercise of the initiative power will be enhanced by review of each statewide measure by an independent panel of Oregon voters, reporting to the electorate in the voters' pamphlet."

The essential purpose of the CIR Commission is to provide oversight for the Citizens' Initiative Review (CIR)—an innovative way of publicly evaluating ballot measures so that voters have access to clear, useful, and trustworthy information at election time. It is a policy currently unique to Oregon.

During each CIR, a panel of randomly-selected and demographically-balanced voters is brought together from across the state to fairly evaluate a ballot measure. The panel hears directly from campaigns for and against the measure, calls upon policy experts, and deliberates during the multi-day public review.

For each measure reviewed, a new panel is convened. At the conclusion of each review, panelists draft a 'Citizens' Statement' highlighting the most important findings about the measure. Each 'Citizens' Statement' is published as a prominent page in the Voters' Pamphlet as a new and easily accessible resource for voters to use at election time.

In providing oversight for the CIR process, the CIR Commission handles specific issues, including ballot measure selection, panel composition, operating policies and procedures, moderator qualifications, evaluation of CIR procedures, and financial stewardship.

The CIR Commission held its first meeting as an independent state agency in June 2012. Administrative services in its inaugural year were provided by the Oregon Health Licensing Agency via intergovernmental agreement, while program services were provided on a contract basis by Healthy Democracy, a nonpartisan organization that served as the project manager for the first two official CIRs held in August 2012.

On August 14, 2013 Governor Kitzhaber signed HB 2322, which re-organized the CIRC as a semi-independent state agency. Since that time, Healthy Democracy has provided temporary administrative services on a contract basis, to assist the CIR Commission with its transition from an independent to a semi-independent state agency. At the time of the writing of this draft report, the CIR Commission is finalizing a contract to obtain administrative services from the Policy Consensus Initiative, a nonprofit affiliate of Portland State University's National Policy Consensus Center, which houses both Oregon Solutions and Oregon Consensus, and which is dedicated to

collaborative governance and democratic decision-making. The CIRC is simultaneously finalizing a contract for program services with Healthy Democracy for management of the 2014 CIRs.

The CIR Commission operates in accordance with the statute relating to semi-independent agencies (ORS 182.454-472), the statute originally establishing the CIR Commission and CIR process (ORS 250.137-149), Oregon Administrative Rules (OAR) Chapter 710, and its own operational policies. At the time of the writing of this report, the 2014 Legislature has also recently passed SB 1544, which grants the CIRC greater flexibility to explore innovations and cost-savings to the CIR program. The bill is now awaiting the Governor's signature.

Reporting Requirements and Adjustments

According to ORS 182.472, not later than April 1 of each even-numbered year, each board shall submit a report to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Legislative Fiscal Officer. The report must include the following:

1. A copy of the most recent audit or financial review of the board.
2. A copy of the actual budget for the prior biennium and a copy of the board's adopted budget for the biennium in which the report is made.
3. A description of all temporary and permanent rules adopted by the board during the prior biennium.
4. A description of board actions promoting consumer protection that were taken during the prior biennium.
5. If the board issues licenses, a description of the board's licensing activities performed during the prior biennium that is adequate to allow evaluation of the board's performance of its licensing responsibilities.
6. A description of all other actions taken during the prior biennium in the performance of the board's statutory responsibilities that is adequate to allow evaluation of the board's performance.

As the CIR Commission only became a semi-independent agency on August 14, 2103 and thus does not possess much of the required data regarding the 2011-13 Biennium, the CIR Commission consulted with staff from the Legislative Fiscal Office to determine the appropriate, though necessarily limited, content for this report. The information contained in this report is a product of those consultations. The CIR Commission fully intends to submit a complete report on its finances and activities, pursuant to ORS 182.472, for the 2013-15 Biennium by April 1, 2016.

SECTION I: FINANCIAL REVIEW

This section is not applicable, as the CIR Commission only became a semi-independent state agency on August 14, 2013. However, as previously mentioned, a financial review of the CIR Commission is expected to occur in late 2015, in time for submission by the April 1, 2016 deadline.

SECTION II: BUDGET COMPARISON

As the CIR Commission had no semi-independent budget for 2011-13, it is providing, upon the advice of the Legislative Fiscal Office, the CIR Commission's adopted budget for the 2013-15 Biennium as well as information regarding how the CIR Commission is funded.

The CIR Commission is funded entirely by charitable foundations and by donations from individuals. The CIR Commission may not receive moneys or assistance from political committees, for-profit corporate treasuries, or union treasuries.

All moneys received by the CIR Commission prior to its establishment as a semi-independent state agency in August 2013 were deposited into the CIR Fund established under ORS 250.146. The CIR Fund was ended shortly after the re-organization of the CIR Commission as a semi-independent state agency, with the remaining balance transferred to a new depository account established under ORS 182.470.

The entirety of the CIR Commission's revenue has come in the form of donations from the nonprofit Healthy Democracy, which contributed \$100,000 on July 31, 2012, \$15,000 on August 8, 2012, and an additional \$20,000 on January 14, 2014. These contributions originated from the following sources:

- Meyer Memorial Trust
- Ford Family Foundation
- Samuel S. Johnson Foundation
- Noble and Lorraine Hancock Family Foundation
- The Carol and Velma Saling Family Foundation
- The Carpenter Foundation
- The Omidyar Network

CIRC 2013-2015 BUDGET – APPROVED JAN. 30, 2014

REVENUE

A. Beginning Balance			
	Ending Cash Balance 2011-13 Biennium	\$	3,519
A. Total		\$	3,519
B. Donations			
	Grants	\$	186,481
	Individual Contributions	\$	-
B. Total		\$	186,481
C. Earned Income			
		\$	-
C. Total		\$	-
Total Revenues		\$	190,000

EXPENSES

A. CIR Commission Services			
	Voters Pamphlet Publication (2 CIRs)	\$	10,500
	CIR Panelist Stipends (2 CIRs)	\$	28,000
	CIR Panelist Travel Reimbursements (2 CIRs)	\$	5,000
	CIR Panel Recruitment Mailing (2 CIRs)	\$	6,500
A. Total		\$	50,000
B. CIR Commission Administrative Expenses			
	Administrative Staffing	\$	17,000
	Liability Insurance	\$	2,500
	Commissioner Travel Reimbursements	\$	1,000
	Banking Fees	\$	540
B. Total		\$	21,040
C. CIR Event Expenses (2 CIRs)			
	Project Management Staffing	\$	27,000
	Research & Event Staffing	\$	10,000
	Moderators and Facilitators	\$	16,000
	Moderator Training	\$	2,000
	Event Security	\$	1,000
	Venue Rental / Meals	\$	13,000
	Lodging	\$	18,000
	Staff Travel	\$	1,000
	Office Supplies	\$	1,000
	Videography	\$	2,000

	Summary Report	\$	2,500
	Miscellaneous Event Expenses	\$	1,000
C. Total		\$	94,500
D. Professional Services			
	State Government Service Charges	\$	10,000
	Professional IT Services	\$	2,500
	Professional Services	\$	7,500
D. Total		\$	20,000
E. Other			
	Contingent Expenses	\$	4,460
E. Total		\$	4,460
<hr/>			
Total Expenses		\$	190,000
<hr/>			
	Total Revenue	\$	190,000
	Total Expenses	\$	190,000
	Balance	\$	-

SECTION III: RULE MAKING ACTIVITIES

The CIR Commission, as a semi-independent agency, has adopted the following temporary and permanent rules, which appear in the table below:

Table of Administrative Rules

OAR Number	Description	Type	Public Notification and Hearing Dates	Board Action Date	SOS Filing Date	LC Filing Date
710-005-0010	Administration of Commission	New / Temp	NA	Aug. 22, 2013	Sept. 24, 2013	Sept. 28, 2013
710-001-0000	Notice of Proposed Rulemaking	New / Perm	Jan. 29, 2014	Jan. 30, 2014	Feb. 11, 2014	Feb. 14, 2014
710-001-0005	Model Rules of Procedure	New / Perm	Jan. 29, 2014	Jan. 30, 2014	Feb. 11, 2014	Feb. 14, 2014
710-005-0005	Commission Budget	New / Perm	Jan. 29, 2014	Jan. 30, 2014	Feb. 11, 2014	Feb. 14, 2014

SECTION IV: CONSUMER PROTECTION

The CIR Commission does not have consumer protection as part of its mission. Its essential mission, rather, is to oversee the CIR process, a way of publicly evaluating ballot measures so that voters have access to clear, useful and trustworthy information at election time. The CIR Commission therefore serves both the participants in the CIR process as well as the voters who benefit from the information resulting from the process.

In August 2012, the newly formed CIR Commission, with the administrative support of the Oregon Health Licensing Agency, oversaw two Citizens' Initiative Reviews: one review of Measure 82 (which proposed amending the state constitution to authorize privately-owned casinos) and one review of Measure 85 (which proposed amending the state constitution by allocating revenue from corporate income and excise tax "kicker" refunds to additionally fund K-12 public education). The nonprofit Healthy Democracy, under contract with the CIR Commission, served as the project director for the two reviews.

Two separate panels of 24 randomly-selected and demographically-balanced Oregonians heard arguments for and against each measure and called upon subject-area experts over the course of each five-day review. The CIR findings appeared as two stand-alone Citizens' Statements published in the Oregon Voters' Pamphlet.

An example of the final Citizens' Statement on Measure 82, as well as a more detailed report on the CIR of Measure 82, can be found in the Appendices to this report.

SECTION V: LICENSING ACTIVITIES AND DISCIPLINARY ACTIONS

As the CIR Commission is not a licensing entity, staff from the Legislative Fiscal Office asked the Commission to provide brief information about how the Commission is responsive and holds itself accountable to the citizens it serves.

Since its establishment, the currently eight-member CIR Commission has held meetings on a roughly bi-monthly basis in order first to address its needs as a new agency and then subsequently to address its needs as a new semi-independent agency. With much of its new rules, policies, and administrative and program services now in place, the CIR Commission anticipates that meetings will be held on a roughly quarterly basis moving forward. The CIR follows the Oregon Public Meetings Law in noticing, running and documenting its meetings and rulemaking activities.

As a charitably funded agency, the CIR Commission documents on its website, according to ORS 250.147, any contributions from any individual in aggregate total of \$100 in a calendar year. To date, the CIR Commission has received all of its contributions, as previously mentioned, from the nonprofit entity Healthy Democracy, which in turn has been supported by the following foundations: Meyer Memorial Trust, Ford Family Foundation, Samuel S. Johnson Foundation, Noble and Lorraine Hancock Family Foundation, The Carol and Velma Saling Family Foundation, The

Carpenter Foundation, and The Omidyar Network. The preceding information about sources of funding is documented on the CIR Commission website.

The CIR Commission is also responsive and holds itself accountable through a statutorily-required and rigorous evaluation of the CIR program it oversees, which it in turn makes publicly available on its website. Evaluation results are presented in the next section.

SECTION VI: OTHER BOARD ACTIVITIES

At the request of the Legislative Fiscal Office, the CIR Commission is providing the information below:

Agency Name: Citizens' Initiative Review Commission*

Biennium	Positions	FTE	Board Meetings	Board Stipend	Director Salary \$/Month on 6/30 close of biennium
2013-2015	1*	0.25*	8	\$30 per day	NA

*As a semi-independent agency, the CIR Commission currently has no staff. It has, at least for the 2013-15 biennium, chosen to address its limited administrative needs and its more specialized program needs on a contract basis. Information above about FTE and monthly director salary, therefore, is not entirely applicable. The 1 "Position" and 0.25 "FTE" noted in the table indicate the estimated number of individuals and total amount of time required (assuming there had been staff) to provide the CIR Commission with administrative services.

Performance Measures

The primary way in which the CIR Commission measures its performance is through rigorous evaluation of the CIR process, as the integrity of the CIR process and the utility of the resulting Citizens' Statements for voters, provide the best measures of the CIR Commission's effectiveness. While the CIR Commission ensures that both panelists and moderators evaluate the CIR process as required by ORS 250.143, the CIR Commission has also been the welcome beneficiary of additional independent academic evaluation of the CIR process.

ORS 250.143 requires the following: that panelists and moderators separately convene no later than February 1 of an odd-numbered year to evaluate CIR procedures; that panelists and moderators submit written reports to the CIR Commission summarizing such evaluations, along with any recommendations; that each year in which such evaluations are the conducted the CIR

Commission review shall review such evaluations and make any findings and recommendations; and that all such evaluations, findings and recommendations be made available to the public.

As mentioned, the CIR Commission has also been fortunate in that teams of academic researchers, with financial support from the National Science Foundation, the Kettering Foundation, the University of Washington and Pennsylvania State University, have evaluated the integrity and utility of the CIRs, both for the 2010 CIR pilots (prior to the establishment of the CIR Commission) and also for the first official CIRs in 2012. The same team of researchers who evaluated the 2010 and 2012 CIRs have received a grant from the National Science Foundation to evaluate the upcoming 2014 CIRs.

Key findings from panelists and moderators regarding the 2012 CIR process include the following:

- Panelists report a high level of satisfaction with the 2012 CIR, noting the effective facilitation that enabled panelists to make complex ballot measures intelligible, though panelists also provide a well-reasoned set of suggestions for enhancing deliberative quality.
- Moderators report a high level of satisfaction with the 2012 CIR, noting the rigor and integrity of the process, though moderators express some concern with their limited ability to employ such processes with greater flexibility.

Key findings regarding the 2010 and 2012 CIRs from independent academic evaluators include the following:

- The 2012 CIR process exhibited the high level of deliberative quality first attained by the 2010 CIR, while the 2012 CIR Statements maintained the high level of factual accuracy first achieved by the 2010 CIR.
- Statewide surveys of voters indicate that awareness of the CIR among likely voters is growing, with 51 percent aware of the CIR by the end of the 2012 election – a 9 percent increase from the peak of 42 percent in 2010.
- Statewide surveys also indicate that at least two-thirds of CIR Statement readers in 2012 found the panelists' insights helpful in making their own voting decisions, a significant increase compared to 2010.

The integrity and increasing utility of the CIR program appear to be the best measures of the CIR Commission's responsiveness and accountability to the citizens it serves.

Citizens' Review Statement

This Citizens' Statement, authorized by the 2009 State Legislature, was developed by an independent panel of 24 Oregon voters who chose to participate in the Citizens' Initiative Review process. The panelists were randomly selected from registered voters in Oregon and balanced to fairly reflect the state's voting population based upon location of residence, age, gender, party affiliation, education, ethnicity, and likelihood of voting. Over a period of five days the panel heard from initiative proponents, opponents, and background witnesses. The panelists deliberated the measure and issued this statement. This statement has not been edited, altered, or approved by the Secretary of State.

The opinions expressed in this statement are those of the members of a citizen panel and were developed through the citizen review process. They are NOT official opinions or positions endorsed by the State of Oregon or any government agency. A citizen panel is not a judge of the constitutionality or legality of any ballot measure, and any statements about such matters are not binding on a court of law.

Key Findings

The following are statements about the measure and the number of panelists who agree with each statement:

- Economists disagree on the long term economic impact of private casinos in Oregon. (22)
- For every dollar of revenue from Video Lottery Terminals, about 65 cents goes to the State lottery. In addition, under Measure 82 for every dollar of revenue produced by private casinos, 25 cents would go to the State lottery. (24)
- Private casinos could negatively affect the gaming revenues of the tribal casinos and the communities they support. (20)
- The Oregon Lottery and businesses with Oregon Video Lottery Terminals that are located within a close proximity of a private casino would likely lose money. (23)
- According to the "Measure 82 Estimate of Financial Impact" Measure 82 will have an unknown impact on state revenue, however, 25% of a private casino's adjusted gross revenue will be given to the State of Oregon for specified purposes. (22)
- In Oregon, the state government has compacts with all nine Tribal governments, however, those agreements do not prohibit private casinos. (21)

Additional Policy Considerations

The following are statements about the subject matter or fiscal considerations related to the measure and the number of panelists who agree with each statement:

- If Measure 83 passes, approximately 2000 full-time jobs with benefits may be created; however, jobs could be lost at tribal casinos and small businesses as well. (22)

Citizen Statement in Opposition to the Measure

POSITION TAKEN BY 17 OF 24 PANELISTS

We, 17 members of the Citizens' Initiative Review, oppose Ballot Measure 82 for the following reasons:

Measure 82 changes the Oregon constitution. If this measure passes it will allow more outside influence on gambling within the state. The backers who wrote this measure stand to gain significant profits by changing the Oregon constitution.

The social impact to the overall culture and values of Oregon are at risk with the added casinos that Measure 82 will allow.

Changing the Oregon state constitution, with no clear economic benefit to Oregonians, is not worth the possible negative effects to our citizens.

According to local experts more than 70,000 adult Oregonians have problems with gambling. Our concern is that an increase of private casinos will increase addictions to gambling, alcohol and drugs.

Measure 82 will negatively impact the revenue generated by tribal casinos traditionally used to support tribal communities, nearby rural areas, non-profits and charitable organizations throughout Oregon.

Small businesses near private casinos could stand to lose up to 46% of Video Lottery Terminal revenue on average. We believe this loss would have a substantial impact on businesses.

If Measure 83 passes, the proposed private casino in Multnomah County will negatively impact surrounding communities who have a State vote, but not a local vote. Our concerns are traffic congestion and the possible increase in crime.

Sustained funding for Oregon education shouldn't be dependent upon our citizens' private casino gambling losses.

Citizen Statement in Support of the Measure

POSITION TAKEN BY 7 OF 24 PANELISTS

We, 7 members of the Citizens' Initiative Review, support Ballot Measure 82 for the following reasons:

Measure 82 changes the Oregon constitution to allow the people of Oregon to decide whether they want private casinos and allows the local communities to vote for or against the measure even if voters approve a casino in a statewide election.

The current funding structure for K-12 schools in Oregon is not sufficient. Private casinos may provide an additional revenue source for education.

Private casino construction and operations will result in additional well-paying jobs and property taxes for the local community.

Research has shown the existence of a casino in a community does not in and of itself increase gambling behavior and does not cause the behavioral problems that many fear.

A casino is a new tourist attraction and may revitalize the surrounding areas.

The casino must be developed in an incorporated city and must be owned and operated by an Oregon tax-paying corporation.

If measure 83 passes and the voters of Wood Village approve the proposed casino, net revenue to State and local governments are estimated to be \$32 million to \$54 million annually to be divided amongst:*

Public schools
Job creation
Oregon tribes
Problem gambling programs
Local and state police
City of Wood Village
Adjacent cities
Parks and natural resources

*Refer to section 3 of Ballot Measure 83

**APPENDIX B:
CIR Interim Final Report on Measure 82**



**CITIZENS'
INITIATIVE REVIEW**

Ballot Measure 82

—Interim Final Report—

**August 20-24, 2012
Portland, Oregon**

Executive Summary

The Citizens' Initiative Review (CIR) is an innovative way of publicly evaluating ballot measures so voters have easy access to clear, useful, and trustworthy information at election time.

In June, 2011, the Oregon Legislature approved legislation making of the Citizens' Initiative Review a permanent part of Oregon elections. Oregon is now the first state in the nation to adopt this innovative policy into law. The law is being fully implemented during the 2012 election cycle.

From August 20 to August 24, 2012, Healthy Democracy, working on behalf of the newly formed Oregon Citizens' Initiative Review Commission, conducted the second of two Citizens' Initiative Reviews scheduled for the 2012 election.

For the review of Measure 82, a panel of twenty-four registered voters from across the state convened at the Doubletree Hotel, Oregon to engage in a comprehensive examination of Ballot Measure 82, titled: **“Amends Constitution: Authorizes Establishment of Privately-Owned Casinos; Mandates Percentage of Revenues Payable to Dedicated State Fund”**.

The Citizens' Initiative Review panel was assembled using a stratified random sampling procedure to reflect the demographics of Oregon's electorate as a whole.

During the five-day event, proponents and opponents of Ballot Measure 82 presented their arguments to the panel, background witnesses provided additional testimony at the panelists' request, and the panelists deliberated over the merits of the ballot measure. At the end of the process, the panelists developed a Citizens' Statement containing their conclusions about the ballot measure. The statement provides voters with an informed analysis of the ballot measure that has been crafted by a panel of their peers.

The Oregon Citizens' Initiative Review Commission was established by an act of the Oregon Legislature in 2011. The Citizens' Initiative Review and Oregon Citizens' Initiative Review Commission is funded entirely by contributions from charitable foundations and individual donations. No state dollars go to support the work of the CIR Commission. Law prohibits the CIR Commission from accepting contributions from corporate or union treasuries.

For additional information about the Citizens' Initiative Review process, the Oregon Citizens' Initiative Review Commission, or the convener of the 2012 CIRs, Healthy Democracy, please see the following websites:

Oregon Citizens' Initiative Review Commission: www.Oregon.gov/CIRC

Healthy Democracy & background of the CIR: www.healthydemocracy.org

Statement for Voters' Pamphlet

Citizen Statement in Support of the Measure:

POSITION TAKEN BY 7 OF 24 PANELISTS

We, 7 members of the Citizens' Initiative Review, support Ballot Measure 82 for the following reasons:

- Measure 82 changes the Oregon constitution to allow the people of Oregon to decide whether they want private casinos and allows the local communities to vote for or against the measure even if voters approve a casino in a statewide election.
- The current funding structure for K-12 schools in Oregon is not sufficient. Private casinos may provide an additional revenue source for education.
- Private casino construction and operations will result in additional well-paying jobs and property taxes for the local community.
- Research has shown the existence of a casino in a community does not in and of itself increase gambling behavior and does not cause the behavioral problems that many fear.
- A casino is a new tourist attraction and may revitalize the surrounding areas.
- The casino must be developed in an incorporated city and must be owned and operated by an Oregon tax-paying corporation.
- If measure 83 passes and the voters of Wood Village approve the proposed casino, net revenue to State and local governments are estimated to be \$32 million to \$54 million annually to be divided amongst:
 - Public schools
 - Job creation
 - Oregon tribes
 - Problem gambling programs
 - Local and state police
 - City of Wood Village
 - Adjacent cities
 - Parks and natural resources

*Refer to section 3 of Ballot Measure 83

Citizen Statement in Opposition to the Measure:

POSITION TAKEN BY 17 OF 24 PANELISTS

We, 17 members of the Citizens' Initiative Review, oppose Ballot Measure 82 for the following reasons:

- Measure 82 changes the Oregon constitution. If this measure passes it will allow more outside influence on gambling within the state. The backers who wrote this measure stand to gain significant profits by changing the Oregon constitution.

- The social impact to the overall culture and values of Oregon are at risk with the added casinos that Measure 82 will allow.
- Changing the Oregon state constitution, with no clear economic benefit to Oregonians, is not worth the possible negative effects to our citizens.
- According to local experts more than 70,000 adult Oregonians have problems with gambling. Our concern is that an increase of private casinos will increase addictions to gambling, alcohol and drugs.
- Measure 82 will negatively impact the revenue generated by tribal casinos traditionally used to support tribal communities, nearby rural areas, non-profits and charitable organizations throughout Oregon.
- Small businesses near private casinos could stand to lose up to 46% of Video Lottery Terminal revenue on average. We believe this loss would have a substantial impact on businesses.
- If Measure 83 passes, the proposed private casino in Multnomah County will negatively impact surrounding communities who have a State vote, but not a local vote. Our concerns are traffic congestion and the possible increase in crime.
- Sustained funding for Oregon education shouldn't be dependent upon our citizens' private casino gambling losses.

Key Findings: The following are statements about the measure and the number of panelists who agree with each statement:

- Economists disagree on the long term economic impact of private casinos in Oregon. (22)
- For every dollar of revenue from Video Lottery Terminals, about 65 cents goes to the State lottery. In addition, under Measure 82, for every dollar of revenue produced by private casinos, 25 cents would go to the State lottery. (24)
- Private casinos could negatively affect the gaming revenues of the tribal casinos and the communities they support. (20)
- The Oregon Lottery and businesses with Oregon Video Lottery Terminals that are located within a close proximity of a private casino would likely lose money. (23)
- According to the "Measure 82 Estimate of Financial Impact" Measure 82 will have an unknown impact on state revenue, however, 25% of a private casino's adjusted gross revenue will be given to the State of Oregon for specified purposes. (22)
- In Oregon, the state government has compacts with all nine Tribal governments, however, those agreements do not prohibit private casinos. (24)

Additional Policy Considerations: The following are statements about the subject matter or fiscal considerations related to the measure and the number of panelists who agree with each statement:

- If Measure 83 passes, approximately 2,000 full-time jobs with benefits may be created; however, jobs could be lost at tribal casinos and small businesses as well. (22)

Presenters to Citizens Initiative Review of Ballot Measure 82

Over the course of five days, the CIR panel heard from the following individuals:

Advocates:

Advocate Team in Favor of the Measure:

- Terrance Doyle, Vice President for Property Development and Procurement, Great Canadian/Great American Gaming
- Stacey Dycus, Campaign Manager, Yes on 82 & 83
- Russ Garnett, Business Manager and Financial Secretary, Roofers Union Local 49
- Alan Keser, Assistant Business Manager, International Brotherhood of Electrical Workers Local 48
- Kenneth Morgan, Business Manager, Laborers' International Union of North America Local 296
- Jeff Parr, Co-Chief Executive Officer and Managing Director, Clairvest
- Bill Reid, Principal, Johnson Reid, LLC
- Rick Stevens, Chief Executive Officer, Navegante Group
- Bruce Studer, Chief Petitioner, Measures 82 & 83

Advocate Team in Opposition to the Measure:

- Sho Dozono, Trustee, Spirit Mountain Community Fund
- Justin Martin, Member, Confederated Tribes of Grand Ronde Tribe and Oregon Tribal Gaming Alliance
- Kathleen Tom, Member, Confederated Tribes of Grand Ronde Tribal Council
- Steve Ungar, Former Chair, Oregon State Lottery Commission
- Bob Whelan, Senior Economist, ECONorthwest

Background Presenters:

- Craig Durbin, Assistant Director for Security, Oregon Lottery
- William R. Eadington, Professor of Economics, University of Nevada Reno
- Jonathan Griffin, Policy Associate, National Conference of State Legislatures
- Joshua Lehner, Economist, Oregon Office of Economic Analysis
- Mazen Malik, Senior Economist, Oregon Legislative Revenue Office
- Thomas L. Moore, Chief Executive Officer, Herbert & Louis, LLC
- Larry Niswender, Director, Oregon Lottery
- Carla C. Piluso, Former Police Chief, City of Gresham
- Stephanie Striffler, Native American Affairs Coordinator and Senior Assistant Attorney General, Oregon Department of Justice

Demographic	Population Percentage	Desired Number of Panelists	Actual Number of Panelists
Gender			
Female	53%	12-13	12
Male	47%	11-12	12
Voting History			
Voted in 2 or more of last 4 elections	60%	14-15	12
Voted in less than 2 of the last 4 elections	40%	9-10	12
Ethnicity			
Caucasian/White	89%	20-21	21
Non-Caucasian/White	11%	3-4	3
Party Registration			
Democrat	42%	10-11	10
Republican	32%	8	8
Non-Partisan, Independent & Other	26%	5-6	6
Age			
18-34	22%	5-6	7
35-59	45%	10-11	10
60 & over	33%	7-8	7
Education			
High School or Less	34%	8-9	9
Some College	33%	7-8	7
Bachelor's Degree	33%	7-8	8
Congressional District			
First	20%	4-5	5
Second	20%	4-5	5
Third	20%	4-5	5
Fourth	20%	4-5	5
Fifth	20%	4-5	4
Total Number of Panelists	100%	24	24

Target percentages came from an analysis of a random sample of 20,000 registered voters and in consultation with the survey research firm, DHM Research.

These numbers represent panelists committed to participate. Slight changes could occur if alternates need to be substituted due to cancellations.

Participant Evaluations of the Oregon Citizens' Initiative Review on Measure 82

August 24, 2012 – Katie Knobloch (krknobl@uw.edu), U. Washington

With university grant funding and in partnership with the Kettering Foundation, researchers from the University of Washington and the Pennsylvania State University are evaluating the Oregon Citizens' Initiative Review (CIR). Their evaluation follows the same general protocol the researchers used in 2010. Each day they distributed brief questionnaires to CIR panelists, and this report provides a simple summary of these daily evaluations.

SATISFACTION

At the conclusion of the five-day review, panelists provided the following assessment of their overall satisfaction with the CIR process.

Table 1. Looking back over the past five days, how would you rate your OVERALL SATISFACTION with the CIR process?

Response	Number of Responses	Percent of Responses
Very Low Satisfaction	0	0%
Low	0	0%
Neutral	4	16.7%
High	6	25.0%
Very High Satisfaction	14	58.3%
Total	24	100.0%

BALANCE AND FAIRNESS

On four of the five days, the CIR panelists were asked to report whether the proponents or opponents were given more time to make their presentations and present witnesses. Most panelists gave the same answer everyday—marking the midpoint on the scale to indicate that “both sides had equal time.”

Each of the five days, the citizen panelists also assessed the fairness of the CIR Moderators who facilitated their discussions. Table 2 shows that panelists perceived the Moderators as neutral. On the few instance when panelists did note moderator bias, they often disagreed on which side the moderator favored.

Table 2. Did the CIR Moderators demonstrate a preference for one side or the other today?

Day	# of Responses by Category			Total
	Favored proponents	Neutral	Favored opponents	
Mon	1	23	0	24
Tues	3	19	2	24
Wed	0	24	0	24
Thurs	0	22	2	24
Fri	0	23	1	24

CITIZEN PARTICIPATION

In addition, panelists answered questions each day about their participation. Tables 3 and 4 show the distribution of the panelists' responses to these questions, and the results indicate that a very large majority of panelists perceived having equal opportunity to speak during the process and that panelists generally had little difficulty understanding their discussions.

Table 3. Did you have sufficient OPPORTUNITY to express your views today?

Day	# of Responses by Category			Total
	No	Unsure	Yes	
Mon	0	1	23	24
Tues	1	1	22	24
Wed	0	0	24	24
Thurs	0	0	24	24
Fri	0	2	22	24

Table 4. How often did you have TROUBLE understanding or following the discussion today?

Day	# of Responses by Category				Total
	Never	Rarely	Occasionally	Often or More	
Mon	5	12	7	0	24
Tues	5	14	4	1	24
Wed	6	12	5	1	24
Thurs	13	7	2	2	24
Fri	11	10	3	0	24

Contract #: 2

Contractor: Healthy Democracy Fund

STATE OF OREGON PERSONAL/PROFESSIONAL SERVICES CONTRACT #2

This Contract is between the State of Oregon, acting by and through its Citizens' Initiative Review Commission, hereafter called **Agency**,

and
Tyrone Reitman
Executive Director
Healthy Democracy Fund
519 SW Park Ave, Suite 602
Portland, OR 97205
Phone: 503-841-6865
Email: tyrone@healthydemocracy.org

Hereafter called **Contractor**.

Agency's Contract Administrator for this Contract is:

Jerry Hudson
Chair
Citizens' Initiative Review Commission
P.O. Box 9156
Portland, OR 97207-9156
Phone: 503-508-0886
Email: info@circommission.org

1. Contract Period. This Contract shall become effective on the date this Contract has been fully executed by every party and, when required, approved by the Department of Justice. Unless extended or terminated earlier in accordance with its terms, this Contract shall terminate when Agency accepts Contractor's completed performance or on **June 30, 2015**, whichever date occurs last. Contract termination shall not extinguish or prejudice Agency's right to enforce this Contract with respect to any default by Contractor that has not been cured.

2. Statement of Work. Contractor shall perform the work (the "Work") as set forth in the Statement of Work, which includes the delivery schedule for such Work, and that is attached hereto as Exhibit A. Contractor shall perform the Work in accordance with the terms and conditions of this Contract.

3. Consideration

a. The maximum, not-to-exceed compensation payable to Contractor under this Contract is **\$94,500.00**. Agency will not pay Contractor any amount in excess of the not-to-exceed compensation of this Contract for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

b. Interim payments are not allowed.

c. Agency will pay only for completed Work that is accepted by Agency.

d. Contractor shall submit the invoice to Agency's Contract Administrator, listed above for Work performed. The invoice shall describe all Work performed with particularity and by whom it was performed. See further below described in Part IV. Payment Provisions; Invoice section.

4. Contract Documents. This Contract consists of the following documents, which are listed in descending order of precedence: this Contract less all exhibits, attached Exhibit A (the Statement of Work), Exhibit B (Required Insurance), Exhibit C (Independent Contractor Certification Statement). Exhibits A-C are attached hereto and incorporated herein by this reference.

5. Independent Contractor; Responsibility for Taxes and Withholding

a. Contractor shall perform all Work as an independent contractor. The Agency reserves the right (i) to determine and modify the delivery schedule for the Work and (ii) to evaluate the quality of the Work Product; however, the Agency may not and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Work.

b. If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that: Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS 244 and no statutes, rules or regulations of the state or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract.

c. Contractor understands and agrees that it is not an "officer", "employee", or "agent" of the Agency, as those terms are used in ORS 30.265.

d. Contractor shall be responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, Agency will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or

Contractor's initials _____

state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

6. Subcontracts, Successors, and Assignments

- a. Contractor may enter into subcontracts for obtaining voter sampling, audio/visual, research and moderator services, but will not enter into any other subcontracts for any of the Work required by this Contract without Agency's prior written consent. In addition to any other provisions Agency may require, Contractor shall include in any permitted subcontract under this Contract provisions to ensure that Agency will receive the benefit of subcontractor performance as if the subcontractor were the Contractor with respect to Sections 5, 6, 7, 9, 10, 11, 14, 15, 16, 18, and 23. Agency's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.
- b. The provisions of this Contract shall be binding upon and inure to the benefit of the parties, their respective successors, and permitted assigns, if any.
- c. Contractor shall not assign, delegate or transfer any of its rights or obligations under this Contract without Agency's prior written consent.

7. No Third Party Beneficiaries. Agency and Contractor are the only parties to this Contract and are the only parties entitled to enforce the terms of this Contract. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

8. Funds Available and Authorized; Payments. Contractor shall not be compensated for Work performed under this Contract by any other agency or department of the State of Oregon. Contractor understands and agrees that Agency's payment of amounts under this Contract is contingent on Agency receiving appropriations, limitations, allotments or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to continue to make payments under this Contract.

9. Representations and Warranties.

- a. **Contractor's Representations and Warranties.** Contractor represents and warrants to Agency that (1) Contractor has the power and authority to enter into and perform this Contract, (2) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, (3) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession, (4) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work, (5) all computer hardware and software delivered under this Contract will, individually and in combination, correctly process, sequence, and calculate all date and date-related data for all dates prior to, through and after January 1, 2000, (6) any software products delivered under this Contract that process date or date-related data shall recognize, store and transmit date data in a format which explicitly and unambiguously specifies the correct century, and (7) Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.
- b. **Warranties cumulative.** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

10. Ownership of Work Product.

- a. **Definitions.** As used in this Section 10, and elsewhere in this Contract, the following terms have the meanings set forth below:
 - (i) "Contractor Intellectual Property" means any intellectual property owned by Contractor and developed independently from the Work.
 - (ii) "Third Party Intellectual Property" means any intellectual property owned by parties other than Agency or Contractor.
 - (iii) "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein that Contractor is required to deliver to Agency pursuant to the Work.
- b. **Original Works.** All Work Product created by Contractor pursuant to the Work, including derivative works and compilations, and whether or not such Work Product is considered a work made for hire or an employment to invent, shall be the exclusive property of Agency. Agency and Contractor agree that such original works of authorship are "work made for hire" of which Agency is the author within the meaning of the United States Copyright Act. If for any reason the original Work Product created pursuant to the Work is not "work made for hire," Contractor hereby irrevocably assigns to Agency any and all of its rights, title, and interest in all original Work Product created pursuant to the Work, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon Agency's reasonable request, Contractor shall execute such further documents and instruments necessary to fully vest such rights in Agency. Contractor forever waives any and all rights relating to original Work Product created pursuant to the Work, including without limitation, any and all rights arising under 17 USC §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

In the event that Work Product created by Contractor under this Contract is a derivative work based on Contractor Intellectual Property, or is a compilation that includes Contractor Intellectual Property, Contractor hereby grants to Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the pre-existing elements of the Contractor Intellectual Property employed in the Work Product, and to authorize others to do the same on Agency's behalf.

In the event that Work Product created by Contractor under this Contract is a derivative work based on Third Party Intellectual Property, or is a compilation that includes Third Party Intellectual Property, Contractor shall secure on the Agency's behalf and in the name of the Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the pre-existing elements of the Third Party Intellectual Property employed in the Work Product, and to authorize others to do the same on Agency's behalf.

c. Contractor Intellectual Property. In the event that Work Product is Contractor Intellectual Property Contractor hereby grants to Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Contractor Intellectual Property, and to authorize others to do the same on Agency's behalf.

Contractor's initials _____

d. Third Party Works. In the event that Work Product is Third Party Intellectual Property, Contractor shall secure on the Agency's behalf and in the name of the Agency, an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property, and to authorize others to do the same on Agency's behalf.

11. Indemnity.

a. GENERAL INDEMNITY. CONTRACTOR SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON AND AGENCY AND THEIR OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER, INCLUDING ATTORNEYS FEES, RESULTING FROM, ARISING OUT OF, OR RELATING TO THE ACTIVITIES OF CONTRACTOR OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS CONTRACT.

b. INDEMNITY FOR INFRINGEMENT CLAIMS. WITHOUT LIMITING THE GENERALITY OF SECTION 11.a, CONTRACTOR EXPRESSLY AGREES TO DEFEND, INDEMNIFY, AND HOLD AGENCY, THE STATE OF OREGON AND THEIR AGENCIES, SUBDIVISIONS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, LOSSES, LIABILITIES, COSTS, EXPENSES, INCLUDING ATTORNEYS FEES, AND DAMAGES ARISING OUT OF OR RELATED TO ANY CLAIMS THAT THE WORK, THE WORK PRODUCT OR ANY OTHER TANGIBLE OR INTANGIBLE ITEMS DELIVERED TO AGENCY BY CONTRACTOR THAT MAY BE THE SUBJECT OF PROTECTION UNDER ANY STATE OR FEDERAL INTELLECTUAL PROPERTY LAW OR DOCTRINE, OR THE AGENCY'S USE THEREOF, INFRINGES ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK, TRADE DRESS, MASK WORK, UTILITY DESIGN, OR OTHER PROPRIETARY RIGHT OF ANY THIRD PARTY; PROVIDED, THAT STATE SHALL PROVIDE CONTRACTOR WITH PROMPT WRITTEN NOTICE OF ANY INFRINGEMENT CLAIM.

c. CONTROL OF DEFENSE AND SETTLEMENT. CONTRACTOR SHALL HAVE CONTROL OF THE DEFENSE AND SETTLEMENT OF ANY CLAIM THAT IS SUBJECT TO SECTIONS 11.a OR 11.b; HOWEVER, NEITHER CONTRACTOR NOR ANY ATTORNEY ENGAGED BY CONTRACTOR SHALL DEFEND THE CLAIM IN THE NAME OF THE STATE OF OREGON OR ANY AGENCY OF THE STATE OF OREGON, NOR PURPORT TO ACT AS LEGAL REPRESENTATIVE OF THE STATE OF OREGON OR ANY OF ITS AGENCIES, WITHOUT FIRST RECEIVING FROM THE OREGON ATTORNEY GENERAL, IN A FORM AND MANNER DETERMINED APPROPRIATE BY THE ATTORNEY GENERAL, AUTHORITY TO ACT AS LEGAL COUNSEL FOR THE STATE OF OREGON, NOR SHALL CONTRACTOR SETTLE ANY CLAIM ON BEHALF OF THE STATE OF OREGON WITHOUT THE APPROVAL OF THE ATTORNEY GENERAL. THE STATE OF OREGON MAY, AT ITS ELECTION AND EXPENSE, ASSUME ITS OWN DEFENSE AND SETTLEMENT IN THE EVENT THAT THE STATE OF OREGON DETERMINES THAT CONTRACTOR IS PROHIBITED FROM DEFENDING THE STATE OF OREGON, OR IS NOT ADEQUATELY DEFENDING THE STATE OF OREGON'S INTERESTS, OR THAT AN IMPORTANT GOVERNMENTAL PRINCIPLE IS AT ISSUE AND THE STATE OF OREGON DESIRES TO ASSUME ITS OWN DEFENSE.

12. Insurance. Contractor shall maintain insurance as set forth in Exhibit B, which is attached hereto.

13. Default; Remedies; Termination.

a. Default by Contractor. Contractor shall be in default under this Contract if:

(i) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or

(ii) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after Agency's notice or such longer period as Agency may specify in such notice; or

(iii) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after Agency's notice, or such longer period as Agency may specify in such notice.

b. Agency's Remedies for Contractor's Default. In the event Contractor is in default under Section 13.a, Agency may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:

(i) termination of this Contract under Section 13.e(ii);

(ii) withholding all monies due for Work and Work Products that Contractor has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;

(iii) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;

(iv) exercise of its right of setoff.

These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Contractor was not in default under Sections 13.a, then Contractor shall be entitled to the same remedies as if this Contract was terminated pursuant to Section 13.e(i).

c. Default by Agency. Agency shall be in default under this Contract if:

(i) Agency fails to pay Contractor any amount pursuant to the terms of this Contract, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or

(ii) Agency commits any material breach or default of any covenant, warranty, or obligation under this Contract, and such breach or default is not cured within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

d. Contractor's Remedies for Agency's Default. In the event Agency terminates the Contract under Section 13.e(i), or in the event Agency is in default under Section 13.c and whether or not Contractor elects to exercise its right to terminate the Contract under Section 13.e(iii), Contractor's sole monetary

Contractor's initials _____

remedy shall be (a) with respect to services compensable on an hourly basis, a claim for unpaid invoices, hours worked within any limits set forth in this Contract but not yet billed, authorized expenses incurred and interest within the limits permitted under ORS 293.462, and (b) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by Agency, less previous amounts paid and any claim(s) that Agency has against Contractor. In no event shall Agency be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 13.d, Contractor shall pay immediately any excess to Agency upon written demand provided in accordance with Section 20.

e. Termination.

(i) Agency's Right to Terminate at its Discretion. At its sole discretion, Agency may terminate this Contract:

- (A) For its convenience upon thirty (30) days' prior written notice by Agency to Contractor;
- (B) Immediately upon written notice if Agency fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products; or
- (C) Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the Agency's purchase of the Work or Work Products under this Contract is prohibited or Agency is prohibited from paying for such Work or Work Products from the planned funding source.

(ii) Agency's Right to Terminate for Cause. In addition to any other rights and remedies Agency may have under this Contract, Agency may terminate this Contract immediately upon written notice by Agency to Contractor, or at such later date as Agency may establish in such notice, or upon expiration of the time period and with such notice as provided in Section 13.e(ii)(B) and 13.e(ii)(C) below, upon the occurrence of any of the following events:

- (A) Contractor is in default under Section 13.a(i) because Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis;
- (B) Contractor is in default under Section 13.a(ii) because Contractor no longer holds a license or certificate that is required for it to perform services under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after Agency's notice or such longer period as Agency may specify in such notice; or
- (C) Contractor is in default under Section 13.a(iii) because Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after Agency's notice, or such longer period as Agency may specify in such notice.

(iii) Contractor's Right to Terminate for Cause. Contractor may terminate this Contract with such written notice to Agency as provided in Sections 13.e(iii)(A) and 13.e(iii)(B) below, or at such later date as Contractor may establish in such notice, upon the occurrence of the following events:

- (A) Agency is in default under Section 13.c(i) because Agency fails to pay Contractor any amount pursuant to the terms of this Contract, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or
- (B) Agency is in default under Section 13.c(ii) because Agency commits any material breach or default of any covenant, warranty, or obligation under this Contract, fails to perform its commitments hereunder within the time specified or any extension thereof, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

(iv) Return of Property. Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to Agency all of Agency's property (including without limitation any Work or Work Products for which Agency has made payment in whole or in part) that is in the possession or under the control of Contractor in whatever stage of development and form of recordation such Agency property is expressed or embodied at that time. Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless Agency expressly directs otherwise in such notice of termination. Upon Agency's request, Contractor shall surrender to anyone Agency designates, all documents, research or objects or other tangible things needed to complete the Work and the Work Products.

14. Records Maintenance; Access. Contractor shall maintain all financial records relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that Agency and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives shall have access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings of Contractor that are pertinent to this Contract, whether in paper, electronic or other form, to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such financial records, books, documents, papers, plans, records of shipments and payments and writings for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

15. Compliance with Applicable Law. Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference

Contractor's initials _____

herein to the extent that they are applicable to the Contract and required by law to be so incorporated. Agency's performance under the Contract is conditioned upon Contractor's compliance with the provisions of ORS 282.210 to 282.230.

16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Contract. Contractor shall demonstrate its legal capacity to perform the Work under this Contract in the State of Oregon prior to entering into this Contract.

17. Force Majeure. Neither Agency nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, terrorist acts, or other acts of political sabotage, or war where such cause was beyond the reasonable control of Agency or Contractor, respectively. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

18. Survival. All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Sections 1, 7, 8, 9, 10, 11, 12, 13, 14, 18, 23, and 24.

19. Time is of the Essence. Contractor agrees that time is of the essence under this Contract.

20. Notice. Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by email, personal delivery, facsimile, or mailing the same, postage prepaid, to Contractor or Agency at the address, number or email address set forth in this Contract, or to such other addresses or numbers as either party may indicate pursuant to this Section 20. Any communication or notice so addressed and mailed shall be effective five (5) days after mailing. Any communication or notice delivered by facsimile shall be effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours, or on the next business day, if transmission was outside normal business hours of the recipient. To be effective against Agency, any notice transmitted by facsimile must be confirmed by telephone notice to Agency's Contract Administrator. Any communication or notice given by personal delivery shall be effective when actually delivered. Any communication or notice given by email shall be effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.

21. Severability. The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

22. Counterparts. This Contract may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract so executed shall constitute an original.

23. Governing Law; Venue; Consent to Jurisdiction. This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between Agency (and/or any other agency or department of the State of Oregon) and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

24. Merger Clause; Waiver. This Contract and attached exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Contract. No waiver, consent, modification or change of terms of this Contract shall bind all parties unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of Agency to enforce any provision of this Contract shall not constitute a waiver by Agency of that or any other provision.

25. Amendments. Agency may amend this Contract to the extent permitted by applicable statutes and administrative rules. Additionally, for Anticipated Amendments (as defined in OAR 125-246-0560(2)(a)(A)) Agency may amend this Contract i) to the extent provided in the solicitation document, if any, from which this Contract arose, and ii) to the extent described in Exhibit A. No amendment to this Contract shall be effective unless it is in writing signed by the parties, and all approvals required by applicable law have been obtained before becoming effective.

26. Contractor Data and Certification.

a. Contractor Information. Contractor shall provide the additional information set forth below.

Contractor's initials _____

Contract #: 2

Contractor: Healthy Democracy Fund

Name (tax filing): Healthy Democracy Fund

Address: 519 SW Park Ave., Suite 602, Portland, OR 97205

Citizenship, if applicable: Non-resident alien Yes No

Business Designation (check one):

Professional Corporation Partnership Limited Partnership Limited Liability Company Limited Liability Partnership

Sole Proprietorship Other (Non-profit organization)

b. Certification. The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that: (a) Contractor is not subject to backup withholding because (i) Contractor is exempt from backup withholding, (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding; (b) s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws named in ORS 305.380(4), including without limitation the state inheritance tax, gift tax, personal income tax, withholding tax, corporation income and excise taxes, amusement device tax, timber taxes, cigarette tax, other tobacco tax, 9-1-1 emergency communications tax, the homeowners and renters property tax relief program and local taxes administered by the Department of Revenue, including the Multnomah County Business Income Tax, Lane Transit District Tax, Tri-Metropolitan Transit District Employer Payroll Tax, and Tri-Metropolitan District Self-Employment Tax; (c) Contractor is an independent contractor as defined in ORS 670.600; and (e) the supplied Contractor data is true and accurate.

CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY ACKNOWLEDGES THAT CONTRACTOR HAS READ THIS CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTORS: YOU WILL NOT BE PAID FOR SERVICES RENDERED PRIOR TO NECESSARY STATE APPROVALS

Healthy Democracy Fund:

By: _____ Title: _____ Date: _____

Approved by Citizens Initiative Review Commission:

Authorized Signature: _____ Title: _____ Date: _____

Contractor's initials _____

**EXHIBIT A:
STATEMENT OF WORK
PERSONAL/PROFESSIONAL SERVICES CONTRACT #2**

Part I. General Information.

The Citizens' Initiative Review Commission hereafter called Agency shall contract with Healthy Democracy Fund hereafter called Contractor, to provide services and expertise in implementing the Citizens' Initiative Review ("CIR") panels pursuant to the direction of ORS 250.137 through 250.149.

The following objectives shall be reached by this Contract:

- Conduct two CIR panels on appropriate citizen initiatives; and
- Remain compliant throughout the process pursuant with ORS 250.137 through 250.149.

Part II. Tasks and Deliverables; Deliverables Schedule Table; and Acceptance Criteria.

Tasks and Deliverables.

Task #1: Initiative measure research

Contractor shall:

- Conduct research on filed initiative measures; and
- Provide Agency with summary of initiative research in time for July 2014 Agency meeting, at which time Agency shall select two ballot measures to be subject to CIR panel process.

Deliverable #1: Contractor shall provide Agency with summary of research on possible initiative measures in time for July 2014 Agency meeting.

Task #2: Plan CIR panel process, invite advocates and background presenters to participate in CIR panel process, and manage CIR panel process.

Contractor shall:

- Establish dates for two CIR panels;
- Conduct background research on two initiative measures selected for CIR panel process;
- Identify, invite, and select advocates and background presenters to participate in CIR panel process; and
- Provide staffing to manage CIR panel process.

Deliverable #2.1: Contractor shall schedule dates for two CIR panels.

Deliverable #2.2: Contractor shall prepare summary of background research on two initiative measures.

Deliverable #2.3: Contractor shall send invitations to advocates and background presenters for two CIR panels.

Contractor's initials _____

Deliverable #2.4: Contractor shall provide staffing for two review panels.

Task #3: CIR panel identification and management

Contractor shall:

- Subcontract with polling firm to obtain randomly selected list of electors sufficient to establish two panels of electors consistent with Oregon demographics;
- Contact potential panel members to determine availability to serve on panel;
- In collaboration with Agency, select potential panel consisting of at least 18, but no more than 24 electors, reflecting Oregon demographics, for each initiative chosen for review;
- Confirm panel membership; and
- Collect information from panelists necessary for Agency to provide panelists with stipends and travel reimbursements.

Deliverable #3: In collaboration with Agency, contractor shall establish two CIR panels consisting of electors reflective of Oregon demographics.

Task #4: Moderator management

Contractor shall:

- Subcontract for Moderator services;
- Conduct moderator training; and
- Manage two Moderators per CIR panel process

Deliverable #4.1: Contractor shall recruit, hire, train, and manage two moderators for each CIR panel process in conformity with ORS 250.139(8).

Deliverable #4.2: Contractor shall schedule and conduct moderator training; and provide to CIRC confirmation of moderator training and materials.

Deliverable #4.3: Contractor shall provide direction and guidance to moderators during the panel as necessary; and provide summary of “management” to CIRC as requested.

Task #5: Materials preparation

Contractor shall prepare, duplicate and distribute informational materials for CIR panel process in the following forms and quantities:

- Posters as necessary;
- One panel notebook per panelist;
- Slides as necessary; and
- Agendas for each day of the review panel.

Contractor's initials _____

Deliverable #5: Contractor shall prepare informational materials for each CIR panel process in a quantity necessary for CIR panel, with agendas and notebooks per participant and slides and posters as necessary, in compliance with ORS 280.210 to 280.230.

Task #6: Site logistics for the CIR panel process

Contractor shall:

- Secure lodging, catering and venue;
- Pay for lodging, catering, and venue;
- Sub-contract for audio/visual services to be provided onsite.

Deliverable #6: Contractor shall manage venue and site logistics pursuant to the Oregon Accounting Manual, <http://www.oregon.gov/DAS/CFO/SARS/policies/oam/40.10.00.pdf>.

Task #7: Communications

Deliverable #7.1:

Contractor shall:

- Compile panelist responses for each CIR panel, input into the Citizens' Statement format for the Voter's Pamphlet, and deliver each Citizens' Statement to Agency Contract Administrator for final review.

Deliverable #7.2:

Contractor shall:

- Deliver two Voters' Guide statements to SOS in acceptable format by August 28, 2014, after statements have been signed by the Agency Contract Administrator.

Task #8: Facilitate the evaluation of the CIR panel process.

Contractor shall:

- Assemble panelists and moderators to participate in evaluation of CIR panel process;
- Develop written survey instrument for panelists and moderators;
- Facilitate group discussion among panelists and moderators; and
- Prepare written summary of findings and any recommendations for Agency review.

Deliverable #8: Submit to Agency a written summary of evaluation in accordance with ORS 250.143.

Contractor's initials _____

Contract #: 2

Contractor: Healthy Democracy Fund

Deliverables Schedule Table.

<u>Deliverable #:</u>	<u>Deliverable Description:</u>	<u>Estimated NTE Amount:</u>	<u>Due Date:</u>
1	Summary of initiative research presented for CIRC review	\$500	07/08/2014
2.1	Dates for two panel reviews scheduled	\$250	7/15/2014
2.2	Summary of background research for two initiative measures	\$1,750	7/31//2014
2.3	Invitations sent to advocates and background presenters for two review panels	\$2,000	7/31/2014
2.4	Provide staffing for two review panels	\$11,000	8/29/2104
3	Identify two panels of electors reflective of Oregon demographics in collaboration with Agency	\$2,000	8/29/2014
4.1	Hire two moderators at the direction of CIRC in conformity with ORS 250.139(8)	\$16,000	8/29/2014
4.2	Schedule and conduct moderator training; provide to CIRC confirmation of moderator training and materials	\$1,000	8/1/2014
4.3	Provide direction and guidance to moderators during the panel as necessary; provide summary of "management" to CIRC as requested	\$1,000	8/29/2014
5	Informational materials for each review panel produced in quantity necessary for CIR panel: agendas and notebooks per participant and slides and posters as necessary	\$1,000	8/29/2014
6	Management of venue and site logistics	\$55,000	8/29/2014
7.1	Compile panelist responses for each CIR panel, input into proper format, and deliver to Agency Contract Administrator for final review	250	8/29/2014
7.2	Delivery of two final statements to SOS	250	8/29/2014
8	Submission of written summary of review panel evaluation report to Agency	2,500	2/28/2015
TOTAL NOT-TO-EXCEED AMOUNT:		\$94,500.00	

Contractor's initials _____

Acceptance Criteria.

Part III. Special Considerations.

None.

Part IV. Payment Provisions; Invoices.

Payment for all work performed under this Contract shall be subject to the provisions of ORS 293.462 and shall not exceed the total maximum sum of **\$94,500.00**. Agency shall pay Contractor all amounts due for Services completed and accepted by Agency as invoiced by Contractor.

Contractor shall submit quarterly invoices for all completed deliverables. To be processed for payment by Agency, the invoice shall include the following basic information:

- A. Invoice date;
- B. Date range during which the Services being invoiced for were provided;
- C. Invoice number that ends in a “**-01**” for the first invoice issued, which represents the correct invoice sequence of issue. The last invoice submitted on the Project must be clearly labeled “**Final Invoice**”;
- D. The correct Contract number: **2**;
- E. Original Contract total, not to exceed amount clearly visible by amount of the # of Deliverable invoiced and paid to date;
- F. Statement of changes to the original total, not to exceed amount by amendment(s) and broken out in the same way as in item E, showing the revised Contract amounts;
- G. Paid to date amounts showing the amounts submitted for prior to the current invoice (regardless of payment status) and broken out the same way as in item E; and the
- H. Balances remaining after receipt of payment for the current invoice broken out the same way as in item E.

Payment will be made not later than 45 days from the date invoice was received.

Part V. Travel and Other Expenses.

Unless otherwise agreed upon, Contractor travel and other expenses shall not be reimbursed by Agency.

Part VI. Contract Amendments.

The Agency reserves the right to amend the Contract for the Anticipated Amendments, listed below in accordance with the rules of OAR 125-246-0560.

a. Anticipated Amendments.

- 1. Amendments to extend the term of the Contract for additional periods;
- 2. Amendments to delete Services;
- 3. Amendments to add any Services that are within the scope of services identified in the Statement of Work;

Contractor's initials _____

Contract #: 2

Contractor: Healthy Democracy Fund

4. Amendments to increase the maximum compensation;
5. Amendments required to address changes in the State's business process that may restructure Agency;
6. Amendments required to address changes in Agency's business needs or requirements; and
7. Amendments based upon Legislative and or changes in Agency's policy related to the Services.

DRAFT

Contractor's initials _____

EXHIBIT B
INSURANCE REQUIREMENTS

PERSONAL/PROFESSIONAL SERVICE CONTRACT # 2

During the term of this Contract Contractor shall maintain in force at its own expense, each insurance requirement noted below:

1. WORKERS COMPENSATION.

Required by Agency **Not required by Agency.**

All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

2. Certificates of Insurance. As evidence of the insurance coverages required by this Contract, the Contractor shall furnish acceptable insurance certificates to Agency prior to commencing the work. The certificate must specify all of the parties who are Additional Insured's. If requested, complete copies of insurance policies, trust agreements, etc. shall be provided to the State. The Contractor shall pay for all deductibles, self-insured retention and self-insurance.

3. Additional Insured. The Commercial General Liability and Automobile Liability insurance coverages required under this Contract shall include the State of Oregon, and its agencies, departments, divisions, commissions, branches, officers, employees, and agents as Additional Insured's but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory.

Contractor's initials _____

**EXHIBIT C
CERTIFICATION STATEMENT FOR AN INDEPENDENT CONTRACTOR**

PERSONAL/PROFESSIONAL SERVICES CONTRACT #2

Part A. CONTRACTOR IS A CORPORATION.

The Contractor is a corporation authorized to do business in the State of Oregon.

Contractor Signature _____ Date _____

(If the Contractor signs Part A, the remainder of this Certification Statement does not need to be completed.
The Contractor shall return this form, regardless of which Parts are completed to the Agency.
Contractor shall complete either Part A or Part B).

Part B. CONTRACTOR IS AN INDEPENDENT CONTRACTOR.

(Used when the Contractor is an Independent Contractor or is a professional corporation and meets the following standards)

1. I am licensed under ORS chapter 701 to provide labor or services for which such registration is required.
2. I have filed federal and state income tax returns in the name of my business or a business Schedule C as part of the personal income tax return, for the previous year, or expect to file federal and state income tax returns, for labor or services performed as an independent contractor in the previous year.
3. I will furnish the tools or equipment necessary for the contracted labor or services.
4. I have the authority to hire and fire employees who perform the labor or services.
5. I represent to the public that the labor or services are to be provided by my independently established business as four (4) or more of the following circumstances exist. **(Please check four or more of the following:)**

- A. The labor or services are primarily carried out at a location that is separate from my residence or is primarily carried out in a specific portion of my residence, which is set aside as the location of the business.
- B. Commercial advertising or business cards are purchased for the business, or I have a trade association membership;
- C. Telephone listing is used for the business that is separate from the personal residence listing.
- D. Labor or services are performed only pursuant to written contracts.
- E. Labor or services are performed for two or more different persons within a period of one year.
- F. I assume financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission insurance or liability insurance relating to the labor or services to be provided.

Contractor Signature _____ Date _____

Contractor's initials _____

Contract #: 3

Contractor: Policy Consensus Initiative

STATE OF OREGON PERSONAL/PROFESSIONAL SERVICES CONTRACT # 3

This Contract is between the State of Oregon, acting by and through its Citizens' Initiative Review Commission, hereafter called **Agency**,

and
Wendy Willis
Executive Director
Policy Consensus Initiative
P.O. Box 1762
Portland, OR 97207
Phone: 503-725-9091
Fax: 503-725-9099
Email: wwwillis@pdx.edu

Hereafter called **Contractor**.

Agency's Contract Administrator for this Contract is:

Jerry Hudson
Chair
Citizens' Initiative Review Commission
P.O. Box 9156
Portland, OR 97207-9156
Phone: 503-508-0886
Email: info@circommission.org

1. Contract Period. This Contract shall become effective on the date this Contract has been fully executed by every party and, when required, approved by the Department of Administrative Services and the Department of Justice. Unless extended or terminated earlier in accordance with its terms, this Contract shall terminate when Agency accepts Contractor's completed performance or on **June 30, 2015**, whichever date occurs last. Contract termination shall not extinguish or prejudice Agency's right to enforce this Contract with respect to any default by Contractor that has not been cured.

2. Statement of Work. Contractor shall perform the work (the "Work") as set forth in the Statement of Work, which includes the delivery schedule for such Work, and that is attached hereto as Exhibit A. Contractor shall perform the Work in accordance with the terms and conditions of this Contract.

3. Consideration

a. The maximum, not-to-exceed compensation payable to Contractor under this Contract is **\$17,000**. Agency will not pay Contractor any amount in excess of the not-to-exceed compensation of this Contract for completing the Work, and will not pay for Work performed before the date this Contract becomes effective or after the termination of this Contract. If the maximum compensation is increased by amendment of this Contract, the amendment must be fully effective before Contractor performs Work subject to the amendment.

b. Interim payments are not allowed.

c. Agency will pay only for completed Work that is accepted by Agency.

d. Contractor shall submit the invoice to Agency's Contract Administrator, listed above for Work performed. The invoice shall describe all Work performed with particularity and by whom it was performed. See further below described in Part IV. Payment Provisions; Invoice section.

4. Contract Documents. This Contract consists of the following documents, which are listed in descending order of precedence: this Contract less all exhibits, attached Exhibit A (the Statement of Work), Exhibit B (Required Insurance), Exhibit C (Independent Contractor Certification Statement). Exhibits A-C are attached hereto and incorporated herein by this reference.

5. Independent Contractor; Responsibility for Taxes and Withholding

a. Contractor shall perform all Work as an independent contractor. The Agency reserves the right (i) to determine and modify the delivery schedule for the Work and (ii) to evaluate the quality of the Work Product; however, the Agency may not and will not control the means or manner of Contractor's performance. Contractor is responsible for determining the appropriate means and manner of performing the Work.

b. If Contractor is currently performing work for the State of Oregon or the federal government, Contractor by signature to this Contract, represents and warrants that: Contractor's Work to be performed under this Contract creates no potential or actual conflict of interest as defined by ORS 244 and no statutes, rules or regulations of the state or federal agency for which Contractor currently performs work would prohibit Contractor's Work under this Contract.

c. Contractor understands and agrees that it is not an "officer", "employee", or "agent" of the Agency, as those terms are used in ORS 30.265.

Contractor's initials _____

d. Contractor shall be responsible for all federal or state taxes applicable to compensation or payments paid to Contractor under this Contract and, unless Contractor is subject to backup withholding, Agency will not withhold from such compensation or payments any amount(s) to cover Contractor's federal or state tax obligations. Contractor is not eligible for any social security, unemployment insurance or workers' compensation benefits from compensation or payments paid to Contractor under this Contract, except as a self-employed individual.

6. Subcontracts, Successors, and Assignments

a. Contractor shall not enter into any subcontracts for any of the Work required by this Contract without Agency's prior written consent. In addition to any other provisions Agency may require, Contractor shall include in any permitted subcontract under this Contract provisions to ensure that Agency will receive the benefit of subcontractor performance as if the subcontractor were the Contractor with respect to Sections 5, 6, 7, 9, 10, 11, 14, 15, 16, 18, and 23. Agency's consent to any subcontract shall not relieve Contractor of any of its duties or obligations under this Contract.

b. The provisions of this Contract shall be binding upon and inure to the benefit of the parties, their respective successors, and permitted assigns, if any.

c. Contractor shall not assign, delegate or transfer any of its rights or obligations under this Contract without Agency's prior written consent.

7. **No Third Party Beneficiaries.** Agency and Contractor are the only parties to this Contract and are the only parties entitled to enforce the terms of this Contract. Nothing in this Contract gives, is intended to give, or shall be construed to give or provide any benefit or right not held by or made generally available to the public, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this Contract.

8. **Funds Available and Authorized; Payments.** Contractor shall not be compensated for Work performed under this Contract by any other agency or department of the State of Oregon. Contractor understands and agrees that Agency's payment of amounts under this Contract is contingent on Agency receiving appropriations, limitations, allotments or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to continue to make payments under this Contract.

9. Representations and Warranties.

a. **Contractor's Representations and Warranties.** Contractor represents and warrants to Agency that (1) Contractor has the power and authority to enter into and perform this Contract, (2) this Contract, when executed and delivered, shall be a valid and binding obligation of Contractor enforceable in accordance with its terms, (3) Contractor has the skill and knowledge possessed by well-informed members of its industry, trade or profession and Contractor will apply that skill and knowledge with care and diligence to perform the Work in a professional manner and in accordance with standards prevalent in Contractor's industry, trade or profession, (4) Contractor shall, at all times during the term of this Contract, be qualified, professionally competent, and duly licensed to perform the Work, (5) all computer hardware and software delivered under this Contract will, individually and in combination, correctly process, sequence, and calculate all date and date-related data for all dates prior to, through and after January 1, 2000, (6) any software products delivered under this Contract that process date or date-related data shall recognize, store and transmit date data in a format which explicitly and unambiguously specifies the correct century, and (7) Contractor prepared its proposal related to this Contract, if any, independently from all other proposers, and without collusion, fraud, or other dishonesty.

b. **Warranties cumulative.** The warranties set forth in this section are in addition to, and not in lieu of, any other warranties provided.

10. Ownership of Work Product.

a. **Definitions.** As used in this Section 10, and elsewhere in this Contract, the following terms have the meanings set forth below:

(i) "Contractor Intellectual Property" means any intellectual property owned by Contractor and developed independently from the Work.

(ii) "Third Party Intellectual Property" means any intellectual property owned by parties other than Agency or Contractor.

(iii) "Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item and all intellectual property rights therein that Contractor is required to deliver to Agency pursuant to the Work.

b. **Original Works.** All Work Product created by Contractor pursuant to the Work, including derivative works and compilations, and whether or not such Work Product is considered a work made for hire or an employment to invent, shall be the exclusive property of Agency. Agency and Contractor agree that such original works of authorship are "work made for hire" of which Agency is the author within the meaning of the United States Copyright Act. If for any reason the original Work Product created pursuant to the Work is not "work made for hire," Contractor hereby irrevocably assigns to Agency any and all of its rights, title, and interest in all original Work Product created pursuant to the Work, whether arising from copyright, patent, trademark, trade secret, or any other state or federal intellectual property law or doctrine. Upon Agency's reasonable request, Contractor shall execute such further documents and instruments necessary to fully vest such rights in Agency. Contractor forever waives any and all rights relating to original Work Product created pursuant to the Work, including without limitation, any and all rights arising under 17 USC §106A or any other rights of identification of authorship or rights of approval, restriction or limitation on use or subsequent modifications.

In the event that Work Product created by Contractor under this Contract is a derivative work based on Contractor Intellectual Property, or is a compilation that includes Contractor Intellectual Property, Contractor hereby grants to Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the pre-existing elements of the Contractor Intellectual Property employed in the Work Product, and to authorize others to do the same on Agency's behalf.

In the event that Work Product created by Contractor under this Contract is a derivative work based on Third Party Intellectual Property, or is a compilation that includes Third Party Intellectual Property, Contractor shall secure on the Agency's behalf and in the name of the Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the pre-existing elements of the Third Party Intellectual Property employed in the Work Product, and to authorize others to do the same on Agency's behalf.

Contractor's initials _____

c. Contractor Intellectual Property. In the event that Work Product is Contractor Intellectual Property Contractor hereby grants to Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Contractor Intellectual Property, and to authorize others to do the same on Agency's behalf.

d. Third Party Works. In the event that Work Product is Third Party Intellectual Property, Contractor shall secure on the Agency's behalf and in the name of the Agency, an irrevocable, non-exclusive, perpetual, royalty-free license to use, reproduce, prepare derivative works based upon, distribute copies of, perform and display the Third Party Intellectual Property, and to authorize others to do the same on Agency's behalf.

11. Indemnity.

a. GENERAL INDEMNITY. CONTRACTOR SHALL DEFEND, SAVE, HOLD HARMLESS, AND INDEMNIFY THE STATE OF OREGON AND AGENCY AND THEIR OFFICERS, EMPLOYEES AND AGENTS FROM AND AGAINST ALL CLAIMS, SUITS, ACTIONS, LOSSES, DAMAGES, LIABILITIES, COSTS AND EXPENSES OF ANY NATURE WHATSOEVER, INCLUDING ATTORNEYS FEES, RESULTING FROM, ARISING OUT OF, OR RELATING TO THE ACTIVITIES OF CONTRACTOR OR ITS OFFICERS, EMPLOYEES, SUBCONTRACTORS, OR AGENTS UNDER THIS CONTRACT.

b. INDEMNITY FOR INFRINGEMENT CLAIMS. WITHOUT LIMITING THE GENERALITY OF SECTION 11.a, CONTRACTOR EXPRESSLY AGREES TO DEFEND, INDEMNIFY, AND HOLD AGENCY, THE STATE OF OREGON AND THEIR AGENCIES, SUBDIVISIONS, OFFICERS, DIRECTORS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL CLAIMS, SUITS, ACTIONS, LOSSES, LIABILITIES, COSTS, EXPENSES, INCLUDING ATTORNEYS FEES, AND DAMAGES ARISING OUT OF OR RELATED TO ANY CLAIMS THAT THE WORK, THE WORK PRODUCT OR ANY OTHER TANGIBLE OR INTANGIBLE ITEMS DELIVERED TO AGENCY BY CONTRACTOR THAT MAY BE THE SUBJECT OF PROTECTION UNDER ANY STATE OR FEDERAL INTELLECTUAL PROPERTY LAW OR DOCTRINE, OR THE AGENCY'S USE THEREOF, INFRINGES ANY PATENT, COPYRIGHT, TRADE SECRET, TRADEMARK, TRADE DRESS, MASK WORK, UTILITY DESIGN, OR OTHER PROPRIETARY RIGHT OF ANY THIRD PARTY; PROVIDED, THAT STATE SHALL PROVIDE CONTRACTOR WITH PROMPT WRITTEN NOTICE OF ANY INFRINGEMENT CLAIM.

c. CONTROL OF DEFENSE AND SETTLEMENT. CONTRACTOR SHALL HAVE CONTROL OF THE DEFENSE AND SETTLEMENT OF ANY CLAIM THAT IS SUBJECT TO SECTIONS 11.a OR 11.b; HOWEVER, NEITHER CONTRACTOR NOR ANY ATTORNEY ENGAGED BY CONTRACTOR SHALL DEFEND THE CLAIM IN THE NAME OF THE STATE OF OREGON OR ANY AGENCY OF THE STATE OF OREGON, NOR PURPORT TO ACT AS LEGAL REPRESENTATIVE OF THE STATE OF OREGON OR ANY OF ITS AGENCIES, WITHOUT FIRST RECEIVING FROM THE OREGON ATTORNEY GENERAL, IN A FORM AND MANNER DETERMINED APPROPRIATE BY THE ATTORNEY GENERAL, AUTHORITY TO ACT AS LEGAL COUNSEL FOR THE STATE OF OREGON, NOR SHALL CONTRACTOR SETTLE ANY CLAIM ON BEHALF OF THE STATE OF OREGON WITHOUT THE APPROVAL OF THE ATTORNEY GENERAL. THE STATE OF OREGON MAY, AT ITS ELECTION AND EXPENSE, ASSUME ITS OWN DEFENSE AND SETTLEMENT IN THE EVENT THAT THE STATE OF OREGON DETERMINES THAT CONTRACTOR IS PROHIBITED FROM DEFENDING THE STATE OF OREGON, OR IS NOT ADEQUATELY DEFENDING THE STATE OF OREGON'S INTERESTS, OR THAT AN IMPORTANT GOVERNMENTAL PRINCIPLE IS AT ISSUE AND THE STATE OF OREGON DESIRES TO ASSUME ITS OWN DEFENSE.

12. Insurance. Contractor shall maintain insurance as set forth in Exhibit B, which is attached hereto.

13. Default; Remedies; Termination.

a. Default by Contractor. Contractor shall be in default under this Contract if:

(i) Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis; or

(ii) Contractor no longer holds a license or certificate that is required for Contractor to perform its obligations under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after Agency's notice or such longer period as Agency may specify in such notice; or

(iii) Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after Agency's notice, or such longer period as Agency may specify in such notice.

b. Agency's Remedies for Contractor's Default. In the event Contractor is in default under Section 13.a, Agency may, at its option, pursue any or all of the remedies available to it under this Contract and at law or in equity, including, but not limited to:

(i) termination of this Contract under Section 13.e(ii);

(ii) withholding all monies due for Work and Work Products that Contractor has failed to deliver within any scheduled completion dates or has performed inadequately or defectively;

(iii) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief;

(iv) exercise of its right of setoff.

These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever. If a court determines that Contractor was not in default under Sections 13.a, then Contractor shall be entitled to the same remedies as if this Contract was terminated pursuant to Section 13.e(i).

Contractor's initials _____

c. Default by Agency. Agency shall be in default under this Contract if:

(i) Agency fails to pay Contractor any amount pursuant to the terms of this Contract, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or

(ii) Agency commits any material breach or default of any covenant, warranty, or obligation under this Contract, and such breach or default is not cured within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

d. Contractor's Remedies for Agency's Default. In the event Agency terminates the Contract under Section 13.e(i), or in the event Agency is in default under Section 13.c and whether or not Contractor elects to exercise its right to terminate the Contract under Section 13.e(iii), Contractor's sole monetary remedy shall be (a) with respect to services compensable on an hourly basis, a claim for unpaid invoices, hours worked within any limits set forth in this Contract but not yet billed, authorized expenses incurred and interest within the limits permitted under ORS 293.462, and (b) with respect to deliverable-based Work, a claim for the sum designated for completing the deliverable multiplied by the percentage of Work completed and accepted by Agency, less previous amounts paid and any claim(s) that Agency has against Contractor. In no event shall Agency be liable to Contractor for any expenses related to termination of this Contract or for anticipated profits. If previous amounts paid to Contractor exceed the amount due to Contractor under this Section 13.d, Contractor shall pay immediately any excess to Agency upon written demand provided in accordance with Section 20.

e. Termination.

(i) **Agency's Right to Terminate at its Discretion.** At its sole discretion, Agency may terminate this Contract:

(A) For its convenience upon thirty (30) days' prior written notice by Agency to Contractor;

(B) Immediately upon written notice if Agency fails to receive funding, appropriations, limitations, allotments or other expenditure authority at levels sufficient to pay for the Work or Work Products; or

(C) Immediately upon written notice if federal or state laws, regulations, or guidelines are modified or interpreted in such a way that the Agency's purchase of the Work or Work Products under this Contract is prohibited or Agency is prohibited from paying for such Work or Work Products from the planned funding source.

(ii) **Agency's Right to Terminate for Cause.** In addition to any other rights and remedies Agency may have under this Contract, Agency may terminate this Contract immediately upon written notice by Agency to Contractor, or at such later date as Agency may establish in such notice, or upon expiration of the time period and with such notice as provided in Section 13.e(ii)(B) and 13.e(ii)(C) below, upon the occurrence of any of the following events:

(A) Contractor is in default under Section 13.a(i) because Contractor institutes or has instituted against it insolvency, receivership or bankruptcy proceedings, makes an assignment for the benefit of creditors, or ceases doing business on a regular basis;

(B) Contractor is in default under Section 13.a(ii) because Contractor no longer holds a license or certificate that is required for it to perform services under the Contract and Contractor has not obtained such license or certificate within fourteen (14) calendar days after Agency's notice or such longer period as Agency may specify in such notice; or

(C) Contractor is in default under Section 13.a(iii) because Contractor commits any material breach or default of any covenant, warranty, obligation or agreement under this Contract, fails to perform the Work under this Contract within the time specified herein or any extension thereof, or so fails to pursue the Work as to endanger Contractor's performance under this Contract in accordance with its terms, and such breach, default or failure is not cured within fourteen (14) calendar days after Agency's notice, or such longer period as Agency may specify in such notice.

(iii) **Contractor's Right to Terminate for Cause.** Contractor may terminate this Contract with such written notice to Agency as provided in Sections 13.e(iii)(A) and 13.e(iii)(B) below, or at such later date as Contractor may establish in such notice, upon the occurrence of the following events:

(A) Agency is in default under Section 13.c(i) because Agency fails to pay Contractor any amount pursuant to the terms of this Contract, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice; or

(B) Agency is in default under Section 13.c(ii) because Agency commits any material breach or default of any covenant, warranty, or obligation under this Contract, fails to perform its commitments hereunder within the time specified or any extension thereof, and Agency fails to cure such failure within thirty (30) calendar days after Contractor's notice or such longer period as Contractor may specify in such notice.

(iv) **Return of Property.** Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to Agency all of Agency's property (including without limitation any Work or Work Products for which Agency has made payment in whole or in part) that is in the possession or under the control of Contractor in whatever stage of development and form of recordation such Agency property is expressed or embodied at that time. Upon receiving a notice of termination of this Contract, Contractor shall immediately cease all activities under this Contract, unless Agency expressly directs otherwise in such notice of termination. Upon Agency's request, Contractor shall surrender to anyone Agency designates, all documents, research or objects or other tangible things needed to complete the Work and the Work Products.

14. Records Maintenance; Access. Contractor shall maintain all financial records relating to this Contract in accordance with generally accepted accounting principles. In addition, Contractor shall maintain any other records pertinent to this Contract in such a manner as to clearly document Contractor's performance. Contractor acknowledges and agrees that Agency and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives shall have access to such financial records and other books, documents, papers, plans, records of shipments and payments and writings of Contractor that are pertinent to this Contract, whether in paper, electronic or other form, to perform examinations and audits and make excerpts and transcripts. Contractor shall retain and keep accessible all such financial records, books, documents, papers, plans, records of shipments and payments and writings for a minimum of six (6) years, or such longer period as may be required by applicable law, following final payment and termination of this Contract, or until the conclusion of any audit, controversy or litigation arising out of or related to this Contract, whichever date is later.

Contractor's initials _____

Contract #: 3

Contractor: Policy Consensus Initiative

15. Compliance with Applicable Law. Contractor shall comply with all federal, state and local laws, regulations, executive orders and ordinances applicable to the Contract. Without limiting the generality of the foregoing, Contractor expressly agrees to comply with the following laws, regulations and executive orders to the extent they are applicable to the Contract: (i) Titles VI and VII of the Civil Rights Act of 1964, as amended; (ii) Sections 503 and 504 of the Rehabilitation Act of 1973, as amended; (iii) the Americans with Disabilities Act of 1990, as amended; (iv) Executive Order 11246, as amended; (v) the Health Insurance Portability and Accountability Act of 1996; (vi) the Age Discrimination in Employment Act of 1967, as amended, and the Age Discrimination Act of 1975, as amended; (vii) the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; (viii) ORS Chapter 659, as amended; (ix) all regulations and administrative rules established pursuant to the foregoing laws; and (x) all other applicable requirements of federal and state civil rights and rehabilitation statutes, rules and regulations. These laws, regulations and executive orders are incorporated by reference herein to the extent that they are applicable to the Contract and required by law to be so incorporated. Agency's performance under the Contract is conditioned upon Contractor's compliance with the provisions of ORS 282.210 to 282.230.

16. Foreign Contractor. If Contractor is not domiciled in or registered to do business in the State of Oregon, Contractor shall promptly provide to the Oregon Department of Revenue and the Secretary of State Corporation Division all information required by those agencies relative to this Contract. Contractor shall demonstrate its legal capacity to perform the Work under this Contract in the State of Oregon prior to entering into this Contract.

17. Force Majeure. Neither Agency nor Contractor shall be held responsible for delay or default caused by fire, riot, acts of God, terrorist acts, or other acts of political sabotage, or war where such cause was beyond the reasonable control of Agency or Contractor, respectively. Contractor shall, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Contract.

18. Survival. All rights and obligations shall cease upon termination or expiration of this Contract, except for the rights and obligations set forth in Sections 1, 7, 8, 9, 10, 11, 12, 13, 14, 18, 23, and 24.

19. Time is of the Essence. Contractor agrees that time is of the essence under this Contract.

20. Notice. Except as otherwise expressly provided in this Contract, any communications between the parties hereto or notices to be given hereunder shall be given in writing by email, personal delivery, facsimile, or mailing the same, postage prepaid, to Contractor or Agency at the address, number or email address set forth in this Contract, or to such other addresses or numbers as either party may indicate pursuant to this Section 20. Any communication or notice so addressed and mailed shall be effective five (5) days after mailing. Any communication or notice delivered by facsimile shall be effective on the day the transmitting machine generates a receipt of the successful transmission, if transmission was during normal business hours, or on the next business day, if transmission was outside normal business hours of the recipient. To be effective against Agency, any notice transmitted by facsimile must be confirmed by telephone notice to Agency's Contract Administrator. Any communication or notice given by personal delivery shall be effective when actually delivered. Any communication or notice given by email shall be effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.

21. Severability. The parties agree that if any term or provision of this Contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Contract did not contain the particular term or provision held to be invalid.

22. Counterparts. This Contract may be executed in several counterparts, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart. Each copy of the Contract so executed shall constitute an original.

23. Governing Law; Venue; Consent to Jurisdiction. This Contract shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively, "Claim") between Agency (and/or any other agency or department of the State of Oregon) and Contractor that arises from or relates to this Contract shall be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it shall be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event shall this section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether it is sovereign immunity, governmental immunity, immunity based on the Eleventh Amendment to the Constitution of the United States or otherwise, from any Claim or from the jurisdiction of any court. CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY CONSENTS TO THE IN PERSONAM JURISDICTION OF SAID COURTS.

24. Merger Clause; Waiver. This Contract and attached exhibits constitute the entire agreement between the parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Contract. No waiver, consent, modification or change of terms of this Contract shall bind all parties unless in writing and signed by both parties and all necessary State approvals have been obtained. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. The failure of Agency to enforce any provision of this Contract shall not constitute a waiver by Agency of that or any other provision.

25. Amendments. Agency may amend this Contract to the extent permitted by applicable statutes and administrative rules. Additionally, for Anticipated Amendments (as defined in OAR 125-246-0560(2)(a)(A)) Agency may amend this Contract i) to the extent provided in the solicitation document, if any,

Contractor's initials _____

from which this Contract arose, and ii) to the extent described in Exhibit A. No amendment to this Contract shall be effective unless it is in writing signed by the parties, and all approvals required by applicable law have been obtained before becoming effective.

26. Contractor Data and Certification.

a. Contractor Information. Contractor shall provide the additional information set forth below.

Name (tax filing): Policy Consensus Initiative

Address: P.O. Box 1762, Portland, OR 97207

Citizenship, if applicable: Non-resident alien Yes No

Business Designation (check one):

Professional Corporation Partnership Limited Partnership Limited Liability Company Limited Liability Partnership

Sole Proprietorship Other (Non-profit organization)

b. Certification. The individual signing on behalf of Contractor hereby certifies and swears under penalty of perjury that: (a) Contractor is not subject to backup withholding because (i) Contractor is exempt from backup withholding, (ii) Contractor has not been notified by the IRS that Contractor is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Contractor that Contractor is no longer subject to backup withholding; (b) s/he is authorized to act on behalf of Contractor, s/he has authority and knowledge regarding Contractor's payment of taxes, and to the best of her/his knowledge, Contractor is not in violation of any Oregon tax laws named in ORS 305.380(4), including without limitation the state inheritance tax, gift tax, personal income tax, withholding tax, corporation income and excise taxes, amusement device tax, timber taxes, cigarette tax, other tobacco tax, 9-1-1 emergency communications tax, the homeowners and renters property tax relief program and local taxes administered by the Department of Revenue, including the Multnomah County Business Income Tax, Lane Transit District Tax, Tri-Metropolitan Transit District Employer Payroll Tax, and Tri-Metropolitan District Self-Employment Tax; (c) Contractor is an independent contractor as defined in ORS 670.600; and (e) the supplied Contractor data is true and accurate.

CONTRACTOR, BY EXECUTION OF THIS CONTRACT, HEREBY ACKNOWLEDGES THAT CONTRACTOR HAS READ THIS CONTRACT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS.

CONTRACTORS: YOU WILL NOT BE PAID FOR SERVICES RENDERED PRIOR TO NECESSARY STATE APPROVALS

Policy Consensus Initiative:

By: _____ Title: _____ Date: _____

Approved by Citizens' Initiative Review Commission:

Authorized Signature: _____ Title: _____ Date: _____

Contractor's initials _____

**EXHIBIT A:
STATEMENT OF WORK
PERSONAL/PROFESSIONAL SERVICES CONTRACT #3**

Part I. General Information.

The Citizens Initiative Review Commission hereafter called Agency shall contract with Policy Consensus Initiative hereafter called Contractor, to provide administrative services, pursuant to the direction of ORS 250.137 through 250.149 and ORS 182.454 through 182.472.

Part II. Tasks and Deliverables; Deliverables Schedule Table; and Acceptance Criteria.

Tasks and Deliverables.

Task #1: Board administration.

Contractor shall:

- Serve as primary Agency contact and respond to public and other State Agency inquiries and requests in consultation with Agency chair; and
- Update Agency website, maintain Agency records, and ensure that Agency records are available for review by public.

Deliverable #1.1: Contractor shall provide responses to public and other State Agency inquiries and requests in consultation with Agency chair.

Deliverable #1.2: Contractor shall make updates to Agency website and maintain Agency records so that they are available for public review.

Task #2: Public meetings.

Contractor shall:

- Follow public meetings laws and rules in the planning, conduct, and recording of Commission meetings;
- Prepare Agency meeting schedule and agendas and board materials, in consultation with Agency chair, for 3 public board meetings, in accordance with 2013-15 Agency-approved work plan;
- Schedule 3 meetings to occur during the following approximate times, in accordance with 2013-15 Agency-approved work plan, and to include the following key agenda items:
 - July 8-10, 2014:
 - Selection of two ballot measures for review
 - Review of annual financial report

Contractor's initials _____

- November 18-20, 2014:
 - Review of panelist and moderator evaluations of 2014 Citizens' Initiative Review procedures
 - Appointment of new Commissioners
- March 10-19, 2015:
 - Development and approval of 2015-17 biennium budget
 - Review of administrative and program services contract options for 2015-17 biennium
- In collaboration with Commission chair, schedule any additional meetings if necessary;
- Prepare minutes of Agency meetings and ensure meeting records are made publicly available in accordance with public meeting laws and rules.

Deliverable #2.1: Contractor shall, in consultation with Agency chair, prepare agenda, board packet and minutes for public Commission meeting to occur on July 8-10, 2014, and make such materials available in accordance with public meeting laws and rules.

Deliverable #2.2: Contractor shall, in consultation with Agency chair, prepare agenda, board packet and minutes for public Commission meeting to occur on November 18-20, 2014, and make such materials available in accordance with public meeting laws and rules.

Deliverable #2.3: Contractor shall, in consultation with Agency chair, prepare agenda, board packet and minutes for public Commission meeting to occur on March 10-19, 2015, and make such materials available in accordance with public meeting laws and rules.

Task #3: Rules coordination.

Contractor shall:

- Serve as agency rules coordinator and provide support for any administrative rulemaking;
- Assist Agency with drafting of any temporary or permanent proposed administrative rules related to CIR process or daily stipends for CIR panelists;
- Secure public meeting facilities and provide public notice for any rulemaking related to CIR procedures or daily stipends for CIR panelists;
- File any adopted temporary or permanent rules regarding CIR process or daily stipends for CIR panelists;
- Assist Agency with drafting of 2015-17 budget in preparation for administrative rulemaking;
- Secure public meeting facilities and provide public notice for public hearing on Agency 2015-17 biennial budget; and
- File modified or adopted 2015-17 Agency budget via administrative rule.

Deliverable #3.1: Contractor shall file any approved temporary or permanent administrative rules relating to CIR process or daily stipends for CIR panelists by July 15, 2014.

Deliverable #3.2: Contractor shall file approved 2015-17 Agency budget as administrative rule by June 1, 2015.

Task #4: Program evaluation and reporting.

Contractor's initials _____

Contractor shall:

- Upon receipt of moderator and panelist evaluation of Citizens' Initiative Review procedures from program contractor, forward evaluation to Commission so it can make its own findings and recommendations;
- Assist Agency with completion of report including any findings and recommendations regarding Citizens' Initiative Review procedures, pursuant to ORS 250. 143;
- Draft final report for Agency review, and upon approval, make report available to public by February 27, 2015.

Deliverable #4: Contractor shall draft Agency report regarding any findings and recommendations regarding CIR procedures and make approved report available to public by March 31, 2015.

Task #5: Accounting.

Contractor shall:

- Provide accounting services for Agency, following generally accepted accounting principles and keeping financial and statistical information as necessary to completely and accurately disclose the financial condition and operations of Agency;
- Make required deposits to and withdrawals from Agency bank account with Agency approval;
- Process any approved per-diems and/or travel reimbursements for Commissioners;
- Process approved stipends and/or travel reimbursements for Citizens' Initiative Review panelists by September 30, 2014;
- Process any remaining approved payments related to Agency matters;
- Publish all donations to Agency per ORS 250.147;
- Draft annual financial report for previous fiscal year ending June 30, 2014 for Agency review and distribute to Department of Administrative Services by September 30, 2014.

Deliverable #5.1: Contractor shall process and distribute approved stipends and travel reimbursements to CIR panelists by September 30, 2014.

Deliverable #5.2: Contractor shall draft and forward approved Agency financial report on previous fiscal year to Department of Administrative Services by Sept 30, 2014.

Deliverable #5.3: Contractor shall, with Agency approval, make and record any required deposits to, or withdrawals from, Agency bank account, and process any necessary approved payments, in a timely manner, and no later than June 30, 2015.

Deliverables Schedule Table.

<u>Deliverable #:</u>	<u>Deliverable Description:</u>	<u>Estimated NTE Amount:</u>	<u>Due Date:</u>

Contractor's initials _____

Contract #: 3

Contractor: Policy Consensus Initiative

1.1	Responses to public requests	\$1,500	06/30/15
1.1	Records maintenance and website updates	\$1,500	6/30/15
2.1	Public meeting #1 materials preparation	\$2,000	07/30/14
2.2	Public meeting #2 materials preparation	\$2,000	11/30/14
2.3	Public meeting #3 materials preparation	\$2,000	03/31/15
3.1	File any administrative rules re CIR procedures and/or CIR panelist stipends	\$1,750	07/15/14
3.2	File administrative rule re 2015-17 Agency budget	\$1,750	06/01/15
4	Draft Agency report on CIR procedures and make approved report publicly available	\$500	03/31/15
5.1	Process and distribute CIR panelist stipends and travel reimbursements	\$1,500	09/30/14
5.2	Draft financial report on previous fiscal year and forward approved report to DAS	\$500	09/30/14
5.3	Make and record additional necessary approved deposits, withdrawals, payments	\$2,000	6/30/15
TOTAL NOT-TO-EXCEED AMOUNT:		\$17,000.00	

Acceptance Criteria.

Part III. Special Considerations.

None.

Part IV. Payment Provisions; Invoices.

Payment for all work performed under this Contract shall be subject to the provisions of ORS 293.462 and shall not exceed the total maximum sum of **\$17,000**. Agency shall pay Contractor all amounts due for Services completed and accepted by Agency as invoiced by Contractor.

Contractor shall submit quarterly invoices for all completed deliverables. To be processed for payment by Agency, the invoice shall include the following basic information:

Contractor's initials _____

- A. Invoice date;
- B. Date range during which the Services being invoiced for were provided;
- C. Invoice number that ends in a “__-01” for the first invoice issued, which represents the correct invoice sequence of issue. The last invoice submitted on the Project must be clearly labeled “**Final Invoice**”;
- D. The correct Contract number: **3**;
- E. Original Contract total, not to exceed amount clearly visible by amount of the # of Deliverable invoiced and paid to date;
- F. Statement of changes to the original total, not to exceed amount by amendment(s) and broken out in the same way as in item E, showing the revised Contract amounts;
- G. Paid to date amounts showing the amounts submitted for prior to the current invoice (regardless of payment status) and broken out the same way as in item E; and the
- H. Balances remaining after receipt of payment for the current invoice broken out the same way as in item E.

Payment will be made not later than 45 days from the date invoice was received.

Part V. Travel and Other Expenses.

Unless otherwise agreed upon, Contractor travel and other expenses shall not be reimbursed by Agency.

Part VI. Contract Amendments.

The Agency reserves the right to amend the Contract for the Anticipated Amendments, listed below in accordance with the rules of OAR 125-246-0560.

a. Anticipated Amendments.

- 1. Amendments to extend the term of the Contract for additional periods;
- 2. Amendments to delete Services;
- 3. Amendments to add any Services that are within the scope of services identified in the Statement of Work;
- 4. Amendments to increase the maximum compensation;
- 5. Amendments required to address changes in the State's business process that may restructure Agency;
- 6. Amendments required to address changes in Agency's business needs or requirements; and
- 7. Amendments based upon Legislative and or changes in Agency's policy related to the Services.

Contractor's initials _____

EXHIBIT B
INSURANCE REQUIREMENTS

PERSONAL/PROFESSIONAL SERVICE CONTRACT # 2

During the term of this Contract Contractor shall maintain in force at its own expense, each insurance requirement noted below:

1. WORKERS COMPENSATION.

Required by Agency **Not required by Agency.**

All employers, including Contractor, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and shall provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Contractor shall require and ensure that each of its subcontractors complies with these requirements.

2. Certificates of Insurance. As evidence of the insurance coverages required by this Contract, the Contractor shall furnish acceptable insurance certificates to Agency prior to commencing the work. The certificate must specify all of the parties who are Additional Insured's. If requested, complete copies of insurance policies, trust agreements, etc. shall be provided to the State. The Contractor shall pay for all deductibles, self-insured retention and self-insurance.

3. Additional Insured. The Commercial General Liability and Automobile Liability insurance coverages required under this Contract shall include the State of Oregon, and its agencies, departments, divisions, commissions, branches, officers, employees, and agents as Additional Insured's but only with respect to Contractor's activities to be performed under this Contract. Coverage shall be primary and non-contributory.

Contractor's initials _____

**EXHIBIT C
CERTIFICATION STATEMENT FOR AN INDEPENDENT CONTRACTOR**

PERSONAL/PROFESSIONAL SERVICES CONTRACT # 3

Part A. CONTRACTOR IS A CORPORATION.

The Contractor is a corporation authorized to do business in the State of Oregon.

Contractor Signature _____ Date _____

(If the Contractor signs Part A, the remainder of this Certification Statement does not need to be completed. The Contractor shall return this form, regardless of which Parts are completed to the Agency. Contractor shall complete either Part A or Part B).

Part B. CONTRACTOR IS AN INDEPENDENT CONTRACTOR.

(Used when the Contractor is an Independent Contractor or is a professional corporation and meets the following standards)

1. I am licensed under ORS chapter 701 to provide labor or services for which such registration is required.
2. I have filed federal and state income tax returns in the name of my business or a business Schedule C as part of the personal income tax return, for the previous year, or expect to file federal and state income tax returns, for labor or services performed as an independent contractor in the previous year.
3. I will furnish the tools or equipment necessary for the contracted labor or services.
4. I have the authority to hire and fire employees who perform the labor or services.
5. I represent to the public that the labor or services are to be provided by my independently established business as four (4) or more of the following circumstances exist. **(Please check four or more of the following:)**

- A. The labor or services are primarily carried out at a location that is separate from my residence or is primarily carried out in a specific portion of my residence, which is set aside as the location of the business.
- B. Commercial advertising or business cards are purchased for the business, or I have a trade association membership;
- C. Telephone listing is used for the business that is separate from the personal residence listing.
- D. Labor or services are performed only pursuant to written contracts.
- E. Labor or services are performed for two or more different persons within a period of one year.
- F. I assume financial responsibility for defective workmanship or for service not provided as evidenced by the ownership of performance bonds, warranties, errors and omission insurance or liability insurance relating to the labor or services to be provided.

Contractor Signature _____ Date _____

Contractor's initials _____

Senate Bill 1544

Sponsored by Senator ROBLAN, Representative BERGER; Senators DEVLIN, EDWARDS, HANSELL, MONROE, OLSEN, ROSENBAUM, Representatives BARKER, BUCKLEY, FREDERICK, GALLEGOS, KENY-GUYER, KOMP, MCKEOWN, NATHANSON, OLSON, PARRISH, WITT (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes membership and meeting requirements of Citizens' Initiative Review Commission. Directs commission to establish compensation for electors by rule. Eliminates sunset date for commission.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to Citizens' Initiative Review Commission; creating new provisions; amending ORS 182.454,
3 250.137, 250.139 and 251.185; repealing sections 21 and 22, chapter 722, Oregon Laws 2013; and
4 declaring an emergency.

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

6 **SECTION 1.** ORS 250.137 is amended to read:

7 250.137. (1) The Citizens' Initiative Review Commission is established as a semi-independent
8 state agency subject to ORS 182.456 to 182.472. The commission shall consist of 11 members. The
9 members shall be appointed in the following manner:

10 (a) The Governor shall appoint three members who have at some time been selected by the four
11 appointed members of an explanatory statement committee under ORS 251.205 (5) to prepare an ex-
12 planatory statement, as follows:

13 (A) One member recommended by the leadership of the Democratic party in the Senate and one
14 member recommended by the leadership of the Republican party in the Senate.

15 (B) Except as provided in subparagraph (C) of this paragraph, one member recommended by the
16 leadership of the political party with the largest representation in the Senate that is not the same
17 party as the Governor.

18 (C) If more than two political parties are represented in the Senate, one member recommended
19 by the leadership of a third political party with the largest representation in the Senate.

20 (b) *[Four]* **Two** former moderators shall be appointed as members as described in ORS 250.143.

21 (c) *[Four]* **Six** electors who have served on a citizen panel shall be appointed as members as
22 described in ORS 250.143.

23 (2) The term of office of a member of the commission is four years, with the terms of no more
24 than six members expiring every two years. Vacancies shall be filled by the Governor for the un-
25 expired term, consistent with subsection (1) of this section.

26 (3) The commission shall:

27 (a) Ensure that the citizen panels are convened to review initiated measures in a fair and im-
28 partial manner.

29 (b) Adopt rules necessary to carry out the commission's duties under ORS 250.137 to 250.149.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **SECTION 2.** ORS 250.139 is amended to read:

2 250.139. (1) The Citizens' Initiative Review Commission shall select one or more state measures
3 proposed by initiative petition to be voted on at a general election and convene a separate citizen
4 panel to review each selected measure.

5 (2) In selecting a measure to be reviewed by a citizen panel, the commission shall consider the
6 following criteria:

- 7 (a) The fiscal impact of a measure.
- 8 (b) Whether the measure amends the Oregon Constitution.
- 9 (c) The availability of funds to conduct reviews.
- 10 (d) Any other criteria established by the commission by rule.

11 (3) Each citizen panel shall evaluate and write statements for the measure considered by the
12 panel.

13 (4)(a) The commission shall select citizens for each panel from a representative sample of
14 anonymous electors, using survey sampling methods that, to the extent practicable, give every
15 elector a similar chance of being selected. Each citizen panel shall consist of not fewer than 18 and
16 not more than 24 electors.

17 (b) The commission shall ensure, to the extent practicable and legally permissible, that the de-
18 mographic makeup of each panel fairly reflects the population of the electorate of this state as a
19 whole, with respect to the following characteristics, prioritized in the following order:

- 20 (A) The location of the elector's residence.
- 21 (B) The elector's party affiliation, if any.
- 22 (C) The elector's voting history.
- 23 (D) The elector's age.

24 (c) In addition to the criteria described in paragraph (b) of this subsection, the commission may
25 also consider:

- 26 (A) The elector's gender.
- 27 (B) The elector's ethnicity.
- 28 (C) Any other criteria.

29 (5) The commission shall, from moneys in the account established under ORS 182.470:

30 (a) Compensate each elector for each day served on a panel in an amount [*calculated using the*
31 *average weekly wage as defined in ORS 656.211*] **established by the commission by rule;**

32 (b) Reimburse each elector who serves on a panel for travel expenses in accordance with re-
33 imbursement policies determined by the commission by rule;

34 (c) Provide for costs required to convene and conduct a citizen panel; and

35 (d) Transfer to the Secretary of State all moneys necessary to pay the costs of printing any
36 statements described in ORS 250.141 in the voters' pamphlet.

37 (6)(a) Each panel shall meet to review the measure on **not fewer than three and not more**
38 **than** five consecutive days for a total of not less than [25] **24** hours unless otherwise provided by
39 commission rule.

40 (b) Each panel shall conduct public hearings at which the panel shall receive testimony or other
41 information from both proponents and opponents of the measure. Unless otherwise determined by a
42 majority of the panelists, equal time shall be allotted to proponents and opponents of a measure.

43 (c) The chief petitioners of the measure shall designate two persons to provide information in
44 favor of the measure to the citizen panel. If the chief petitioners fail to timely designate two persons
45 to appear before the panel, the commission may designate two persons who support the measure to

1 provide information in favor of the measure.

2 (d) The commission shall designate two persons who oppose the measure to provide information
3 in opposition to the measure.

4 (e) The commission, by rule, may specify additional criteria regarding the public hearings.

5 (7) The commission shall provide each panel with any complaints regarding the panel not later
6 than the *[fourth]* **third** day the panel convenes.

7 (8) The commission shall, by rule, establish qualifications for moderators for each citizen panel.
8 A moderator must have experience in mediation and shall complete a training course established
9 by the commission.

10 (9) The commission shall contract with two moderators for each panel and shall compensate
11 each moderator for service.

12 **SECTION 3.** ORS 182.454, as amended by section 19, chapter 722, Oregon Laws 2013, is
13 amended to read:

14 182.454. The following semi-independent state agencies are subject to ORS 182.456 to 182.472:

- 15 (1) The Appraiser Certification and Licensure Board.
- 16 (2) The State Board of Architect Examiners.
- 17 (3) The State Board of Examiners for Engineering and Land Surveying.
- 18 (4) The State Board of Geologist Examiners.
- 19 (5) The State Landscape Architect Board.
- 20 (6) The Oregon Board of Optometry.
- 21 (7) The Oregon Patient Safety Commission.
- 22 (8) The Oregon Wine Board.
- 23 (9) The State Board of Massage Therapists.
- 24 (10) The Physical Therapist Licensing Board.
- 25 (11) The State Landscape Contractors Board.
- 26 **(12) The Citizens' Initiative Review Commission.**

27 **SECTION 4.** ORS 251.185, as amended by section 20, chapter 722, Oregon Laws 2013, is
28 amended to read:

29 251.185. (1) The Secretary of State shall have printed in the voters' pamphlet for a general
30 election or any special election a copy of the title and text of each state measure to be submitted
31 to the people at the election for which the pamphlet was prepared. The pamphlet must include the
32 procedures for filing a complaint under ORS 260.345. Each measure shall be printed in the pamphlet
33 with:

- 34 (a) The number and ballot title of the measure;
- 35 (b) The financial estimates and any statement prepared for the measure under ORS 250.125;
- 36 (c) The explanatory statement prepared for the measure;
- 37 (d) Arguments relating to the measure and filed with the Secretary of State; *[and]*
- 38 (e) Any racial and ethnic impact statement prepared for the measure under section 3, chapter
39 600, Oregon Laws 2013[.]; **and**

40 **(f) Any statement submitted for the measure by a citizen panel under ORS 250.141.**

41 (2) A county measure or measure of a metropolitan service district organized under ORS chapter
42 268, and ballot title, explanatory statement and arguments relating to the measure, filed by the
43 county or metropolitan service district under ORS 251.285 shall be included in the voters' pamphlet
44 described in subsection (1) of this section if required under ORS 251.067.

45 **SECTION 5.** ORS 251.185, as amended by section 8, chapter 600, Oregon Laws 2013, and section

1 20, chapter 722, Oregon Laws 2013, is amended to read:

2 251.185. (1) The Secretary of State shall have printed in the voters' pamphlet for a general
3 election or any special election a copy of the title and text of each state measure to be submitted
4 to the people at the election for which the pamphlet was prepared. The pamphlet must include the
5 procedures for filing a complaint under ORS 260.345. Each measure shall be printed in the pamphlet
6 with:

- 7 (a) The number and ballot title of the measure;
- 8 (b) The financial estimates and any statement prepared for the measure under ORS 250.125;
- 9 (c) The explanatory statement prepared for the measure; *[and]*
- 10 (d) Arguments relating to the measure and filed with the Secretary of State[.]; **and**
- 11 (e) **Any statement submitted for the measure by a citizen panel under ORS 250.141.**

12 (2) A county measure or measure of a metropolitan service district organized under ORS chapter
13 268, and ballot title, explanatory statement and arguments relating to the measure, filed by the
14 county or metropolitan service district under ORS 251.285 shall be included in the voters' pamphlet
15 described in subsection (1) of this section if required under ORS 251.067.

16 **SECTION 6. Sections 21 and 22, chapter 722, Oregon Laws 2013, are repealed.**

17 **SECTION 7. The amendments to ORS 250.137 by section 1 of this 2014 Act apply to ap-**
18 **pointments made on or after the effective date of this 2014 Act.**

19 **SECTION 8. This 2014 Act being necessary for the immediate preservation of the public**
20 **peace, health and safety, an emergency is declared to exist, and this 2014 Act takes effect**
21 **on its passage.**

22

TO: CIR Commission

FROM: Ann Bakkensen, Marion Sharp, Robin Gumpert and Tony Iaccarino

DATE: January 15, 2013

RE: Information Regarding Advantages and Disadvantages of Various Ballot Measure Selection Criteria

On January 15, 2013, three CIR Commissioners (Ann Bakkensen, Marion Sharp and Robin Gumpert) and a representative from Healthy Democracy (Tony Iaccarino) met to discuss the advantages and disadvantages of additional criteria that the CIR Commission might wish to consider when selecting measures to be reviewed.

ORS 250.139(2) states the following: "In selecting a measure to be reviewed by a citizen panel, the commission shall consider the following criteria: (a) the fiscal impact of a measure; (b) whether the measure amends the Constitution; (c) the availability of funds to conduct reviews; and (d) any other criteria established by the commission by rule."

Below is a summary of the advantages and disadvantages of additional criteria that the CIR Commission might wish to establish by rule:

1. *Likelihood that the citizen initiative will qualify for the ballot, based on most recent data available from Secretary of State's office.*

PRO: To meet certain deadlines, the CIR Commission must select which initiatives to review *prior* to Secretary of State's deadline for certifying which initiatives qualify for the ballot, creating some uncertainty whether the selected initiative will indeed qualify. Fortunately, reliable data often exists from SOS to assist with making informed decision. Worth making this criterion explicit.

CON: Criterion perhaps implicit, therefore not worthy of including as administrative rule.

2. *Voter uncertainty, based upon an initial voter survey.*

PRO: Worth evaluating measures for which large percentages of voters are confused or uncertain. Recommended by Evaluation Report to the Oregon State Legislature on the 2010 CIRs. Might be determined any time voters respond "not sure" when asked how they might vote after hearing prospective ballot title.

CON: Same evaluation report notes that some initiatives might elicit clear expression of voter certainty yet have an underlying complexity, warranting rigorous analysis by citizen panel. Cost of survey.

3. *Issue complexity.*

PRO: Some measures have underlying complexity (e.g. technical or legal aspects difficult to grasp, deep values tradeoffs) warranting rigorous analysis by citizen panel. Recommended by Evaluation Report to the Oregon State Legislature on the 2010 CIRs.

CON: Potential difficulty of objectively determining which measures are complex. Potentially puts CIR Commission in position of determining which issues are complex, adding element of subjectivity to CIR Commission deliberations.

4. *Social impact.*

PRO: By focusing on current criteria, which privilege selecting measures with significant *fiscal* impact, Commission likely unable to select measures with significant *social* impact (e.g. relating to death penalty, gay marriage, abortion, gun laws, etc.) where the electorate might be divided based on competing social values.

CON: Potential difficulty of objectively determining which measures have significant social impact. Adding such a criteria perhaps not a high priority, as some measures with significant social impact will likely appear as *constitutional* measures, and the current criteria allow Commission to consider constitutional measures for review. Social impact criteria possibly too narrow and really should be subsumed under a broader criterion relating to issue complexity.

5. *Legal impact.*

PRO: By focusing on current criteria, which privileges measures with significant *fiscal* impact, Commission likely unable to select measures with significant *legal* impact. Recommended by Evaluation Report to the Oregon State Legislature on the 2010 CIRs.

CON: Potential difficulty of objectively determining which measures will have significant legal impact. Adding such a criteria perhaps not a high priority, as some measures with significant legal impact will likely appear as *constitutional* measures, and the current criteria allow Commission to consider constitutional measures for review. Legal impact criteria might be too narrow and really ought to be subsumed under a broader criterion relating to issue complexity.

6. *Voter preference, based upon an initial voter survey.*

PRO: Allows voters themselves to suggest which measures should be reviewed.

CON: Prior to campaign season, CIR Commissioners likely to have deeper awareness of initiatives for which CIR would be most useful.

7. *Random selection, once a pool of possible measures meeting basic criteria has been identified.*

PRO: Simplifies process for deciding on a final set of measures to be reviewed, once a pool of possible measures meeting basic criteria has been identified.

CON: Leaves to chance a process that might yield better results either through a decision-process involving consensus, weighted voting, or score sheet.

We also concluded that any voter survey used by the CIR Commission might have the additional benefit of raising voter awareness about the CIR process.

Regardless of which criteria, if any, the CIR Commission might choose to add (via administrative rule), we believe there would be some value in developing a template/score sheet to lend additional rigor to the ballot measure selection process. CIR Commissioners might also be encouraged to use such a template/score sheet, either as individuals or in subcommittee, in the period leading up to the meeting where final decision will be made regarding ballot measure selection.