CORRECTED

74th OREGON LEGISLATIVE ASSEMBLY - 2007 Regular Session MEASURE: SB 614 A STAFF MEASURE SUMMARY CARRIER: Sen. Walker

Senate Committee on Education & General Government

REVENUE: No revenue impact **FISCAL:** No fiscal impact

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 1 - 0

Yeas: Metsger, Morse, Westlund, Walker

Nays: Kruse Exc.: 0

Prepared By: Dana Richardson, Administrator

Meeting Dates: 3/27, 4/26

WHAT THE MEASURE DOES: Requires member of hospital authority board of directors to declare actual or potential conflict of interest based on relationship with nonprofit corporation and file statement of economic interest.

ISSUES DISCUSSED:

- Applicability to for-profit hospitals
- · Bond rating of existing hospitals
- Additional responsibilities of nonprofit hospitals
- · Required filing of statement of economic interest
- Federal requirements for declaring conflict of interest
- · Calculation of cost for providing charity care
- State Treasurer's position on impact of bill
- Certificate of need programs nationwide
- Requirement for board members to recuse themselves if there is a conflict of interest
- Conflict with SB 494 that would remove ORS 244.202(14)(c) exception entirely

EFFECT OF COMMITTEE AMENDMENT: Replaces the measure.

BACKGROUND: Under ORS 244.020(14)(c), members of a board of directors for a nonprofit corporation need not currently declare potential conflicts of interest for pecuniary benefits or detriments arising from their service. This bill would subject those board members, including those who are employed by the nonprofit or have a relationship with a foundation that provides assistance to the nonprofit corporation, to the terms of ORS 244 for actual or potential conflicts of interest. It would also require board members to file a verified statement of economic interest with the Oregon Government Standards and Practices Commission.