

House Bill 2598

Sponsored by COMMITTEE ON ELECTIONS, ETHICS AND RULES (at the request of Oregon Law Commission)

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**.

Allows public official to receive gift from source that does not have legislative or administrative interest in governmental agency in which official has official position.

Prohibits public official from receiving in calendar year single gift with value exceeding \$100 from one or more sources with legislative or administrative interest. Prohibits public official from receiving in calendar year gifts with aggregate value exceeding \$250 from single source with legislative or administrative interest.

Allows public official to receive items exempted from definition of "gift" from person with legislative or administrative interest.

Deletes entertainment exemption from definition of "gift." Specifies that food, lodging, travel and event registration exception to definition of "gift" applies when public official acting in official capacity is registered at event or appears on agenda of event as presenter.

Prohibits public officials and candidates for public office from receiving honoraria solicited or received in connection with official duties of public official or office for which person is candidate. Provides exception for honoraria or other items with value of \$50 or less.

A BILL FOR AN ACT

Relating to government ethics; creating new provisions; and amending ORS 171.745, 171.750, 244.010, 244.020, 244.040, 244.060, 244.100, 244.110, 244.280, 293.708, 351.067, 353.270 and 469.810.

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

GIFTS/FINANCIAL GAIN

SECTION 1. ORS 244.020 is amended to read:

244.020. As used in this chapter, unless the context requires otherwise:

(1) "Actual conflict of interest" means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or the person's relative or any business with which the person or a relative of the person is associated unless the pecuniary benefit or detriment arises out of circumstances described in subsection [(14)] (12) of this section.

(2) "Business" means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain but excluding any income-producing not-for-profit corporation that is tax exempt under section 501(c) of the Internal Revenue Code with which a public official or a relative of the public official is associated only as a member or board director or in a nonremunerative capacity.

(3) "Business with which the person is associated" means:

(a) Any private business or closely held corporation of which the person or the person's relative is a director, officer, owner or employee, or agent or any private business or closely held corporation in which the person or the person's relative owns or has owned stock, another form of equity interest, stock options or debt instruments worth \$1,000 or more at any point in the preceding cal-

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 endar year;

2 (b) Any publicly held corporation in which the person or the person’s relative owns or has
 3 owned \$100,000 or more in stock or another form of equity interest, stock options or debt instru-
 4 ments at any point in the preceding calendar year;

5 (c) Any publicly held corporation of which the person or the person’s relative is a director or
 6 officer; or

7 (d) For public officials required to file a statement of economic interest under ORS 244.050, any
 8 business from which 50 percent or more of the total annual income of the person and members of
 9 the person’s household is derived during the current calendar year.

10 (4) “Commission” means the Oregon Government Standards and Practices Commission.

11 (5) “Development commission” means any entity which has the authority to purchase, develop,
 12 improve or lease land or the authority to operate or direct the use of land. This authority must be
 13 more than ministerial.

14 [(6) “Expenditure” has the meaning given that term in ORS 260.005.]

15 [(7)] **(6)(a)** “Gift” means something of economic value given to a public official or [*the public*
 16 *official’s*] **a relative or member of the household of the public official:**

17 **(A)** Without valuable consideration of equivalent value, including the full or partial forgiveness
 18 of indebtedness, which is not extended to others who are not public officials or the relatives **or**
 19 **members of the households** of public officials on the same terms and conditions; **or** [*and something*
 20 *of economic value given to a public official or the public official’s relative*]

21 **(B)** For valuable consideration less than that required from others who are not public officials.
 22 [*However, “gift” does not mean:*]

23 **(b) “Gift” does not mean:**

24 [(a) Campaign contributions, as described in ORS chapter 260.]

25 **(A) Contributions as defined in ORS 260.005.**

26 [(b)] **(B)** Gifts from [*family members*] **relatives or members of the household of the public**
 27 **official.**

28 [(c) *The giving or receiving of food, lodging and travel when participating in an event which bears*
 29 *a relationship to the public official’s office and when appearing in an official capacity, subject to the*
 30 *reporting requirement of ORS 244.060 (6).*]

31 **(C) Subject to applicable reporting requirements, food, lodging, travel or event registra-**
 32 **tion expenses provided to a public official when the official participates in an official capacity**
 33 **at an event that bears a relationship to the public official’s office. For purposes of this sub-**
 34 **paragraph, a public official is considered to participate in an official capacity if the official**
 35 **is registered as attending the event or appears on the agenda of the event as a presenter.**

36 [(d)] **(D)** [*The giving or receiving of*] Food or beverage **provided to a public official or a rela-**
 37 **tive or member of the household of the public official** if the food or beverage is consumed by
 38 the public official or the [*public official’s relatives*] **relative or member of the household of the**
 39 **public official** in the presence of the purchaser or provider [*thereof*] **of the food or beverage.**

40 **(E) Waiver or discount of registration expenses or materials provided to a public official**
 41 **at a continuing education event the public official may attend to satisfy a professional li-**
 42 **censing requirement.**

43 **(F) Waiver or discount of membership dues in professional organizations.**

44 **(G) Publications supplied by a publisher or organization on a complimentary basis for use**
 45 **in an official capacity by the public official.**

1 *[(e) The giving or receiving of entertainment if the entertainment is experienced by the public official or the public official's relatives in the presence of the purchaser or provider thereof and the value*
 2 *of the entertainment does not exceed \$100 per person on a single occasion and is not greater than \$250*
 3 *in any one calendar year.]*

4 [(8)] (7) [*Honoraria*] "**Honorarium**" means a payment or something of economic value given
 5 to a public official in exchange for services upon which custom or propriety prevents the setting of
 6 a price. Services include, but are not limited to, speeches or other services rendered in connection
 7 with an event at which the public official appears in an official capacity.

8 [(9)] (8) "Income" means income of any nature derived from any source, including, but not limited to,
 9 any salary, wage, advance, payment, dividend, interest, rent, honoraria, return of capital,
 10 forgiveness of indebtedness, or anything of economic value.

11 [(10)] (9) "Legislative or administrative interest" means an economic interest, distinct from that
 12 of the general public, in one or more bills, resolutions, regulations, proposals or other matters subject
 13 to the action or vote of a person acting in the capacity of a public official.

14 [(11) "*Legislative official*" means any member or member-elect of the Legislative Assembly, any
 15 member of an agency, board or committee that is part of the legislative branch and any staff person,
 16 assistant or employee thereof.]

17 [(12)] (10) "Member of **the** household" means any [*relative*] **person** who resides with the public
 18 official.

19 [(13)] (11) "Planning commission" means a county planning commission created under ORS
 20 chapter 215 or a city planning commission created under ORS chapter 227.

21 [(14)] (12) "Potential conflict of interest" means any action or any decision or recommendation
 22 by a person acting in a capacity as a public official, the effect of which could be to the private
 23 pecuniary benefit or detriment of the person or the person's relative, or a business with which the
 24 person or the person's relative is associated, unless the pecuniary benefit or detriment arises out
 25 of the following:

26 (a) An interest or membership in a particular business, industry, occupation or other class required
 27 by law as a prerequisite to the holding by the person of the office or position.

28 (b) Any action in the person's official capacity which would affect to the same degree a class
 29 consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or
 30 other group including one of which or in which the person, or the person's relative or business with
 31 which the person or the person's relative is associated, is a member or is engaged. The **Oregon**
 32 **Government Standards and Practices** Commission may by rule limit the minimum size of or otherwise
 33 establish criteria for or identify the smaller classes that qualify under this exception.

34 (c) Membership in or membership on the board of directors of a nonprofit corporation that is
 35 tax-exempt under section 501(c) of the Internal Revenue Code.

36 (13) "**Public office**" has the meaning given that term in ORS 260.005.

37 [(15)] (14) "Public official" means any person who, when an alleged violation of this chapter
 38 occurs, is serving the State of Oregon or any of its political subdivisions or any other public body
 39 [*of the state*] **as defined in ORS 174.109** as an [*officer*] **elected official, appointed official**, employee,
 40 agent or otherwise, [*and*] irrespective of whether the person is compensated for such services.

41 [(16)] (15) "Relative" means:

42 (a) The spouse of the public official[.];

43 (b) **The domestic partner of the public official;**

44 (c) Any children of the public official or of the public official's spouse[, *and brothers, sisters*];

1 **(d) Siblings, spouses of siblings** or parents of the public official or of the public official's
 2 spouse[.];

3 **(e) Any individual for whom the public official has a legal support obligation; and**

4 **(f) Any individual for whom the public official provides benefits arising from the public**
 5 **official's public employment or from whom the public official receives benefits arising from**
 6 **that individual's employment.**

7 [(17)] **(16)** "Statement of economic interest" means a statement as described by ORS 244.060 to
 8 244.080.

9 [(18)] "*Statewide official*" means the Secretary of State or Secretary of State-elect, State Treasurer
 10 or State Treasurer-elect, Superintendent of Public Instruction or Superintendent-elect of Public In-
 11 struction, Attorney General or Attorney General-elect and the Commissioner of the Bureau of Labor
 12 and Industries or the Commissioner-elect of the Bureau of Labor and Industries.]

13 [(19)] **(17)** "Zoning commission" means an entity to which is delegated at least some of the dis-
 14 cretionary authority of a planning commission or governing body relating to zoning and land use
 15 matters.

16 **SECTION 2.** ORS 244.040 is amended to read:

17 244.040. *[The following actions are prohibited regardless of whether actual conflicts of interest or*
 18 *potential conflicts of interest are announced or disclosed pursuant to ORS 244.120:]*

19 [(1)(a)] **(1) [No] Except as provided in subsection (2) of this section, a public official [shall]**
 20 **may not** use or attempt to use official position or office to obtain financial gain or avoidance of
 21 financial detriment *[that would not otherwise be available but for the public official's holding of the*
 22 *official position or office, other than official salary, honoraria, except as prohibited in paragraphs (b)*
 23 *and (c) of this subsection, reimbursement of expenses or an unsolicited award for professional*
 24 *achievement for the public official or the public official's relative, or for]* **for the public official, a**
 25 **relative or member of the household of the public official, or** any business with which the public
 26 official or a relative **or member of the household** of the public official is associated, **if the fi-**
 27 **nanical gain or avoidance of financial detriment would not otherwise be available but for the**
 28 **public official's holding of the official position or office.**

29 **(2) Subsection (1) of this section does not apply to:**

30 **(a) Any part of an official compensation package as determined by the public body served**
 31 **by the public official.**

32 **(b) The receipt by a public official or a relative or member of the household of the public**
 33 **official of an honorarium or any other item allowed under section 6 of this 2007 Act.**

34 **(c) Reimbursement of expenses.**

35 **(d) An unsolicited award for professional achievement.**

36 **(e) Gifts that do not exceed the limits specified in section 3 of this 2007 Act received by**
 37 **a public official or a relative or member of the household of the public official from a source**
 38 **that could reasonably be known to have a legislative or administrative interest in a govern-**
 39 **mental agency in which the official holds any official position or over which the official ex-**
 40 **ercises any authority.**

41 **(f) Gifts received by a public official or a relative or member of the household of the**
 42 **public official from a source that could not reasonably be known to have a legislative or ad-**
 43 **ministrative interest in a governmental agency in which the official holds any official posi-**
 44 **tion or over which the official exercises any authority.**

45 **(g) The receipt by a public official or a relative or member of the household of the public**

1 **official of any item, regardless of value, that is expressly excluded from the definition of gift**
 2 **in ORS 244.020.**

3 *[(b) No statewide official shall solicit or receive, whether directly or indirectly, honoraria for the*
 4 *statewide official or for any member of the household of the official. No candidate for statewide office*
 5 *shall solicit or receive, whether directly or indirectly, honoraria for the candidate or for any member*
 6 *of the household of the candidate.]*

7 *[(c) No legislative official shall solicit or receive, whether directly or indirectly, honoraria in an*
 8 *amount in excess of \$1,500 or in any amount for an appearance within the state or for an appearance*
 9 *during a legislative session, regardless of location, for the legislative official or for any member of the*
 10 *household of the official, except that a legislative official may solicit or receive honoraria for services*
 11 *performed in relation to the private profession or occupation of the legislative official. No candidate*
 12 *for legislative office shall solicit or receive, whether directly or indirectly, honoraria in an amount in*
 13 *excess of \$1,500 or in any amount for an appearance within the state for the candidate or for any*
 14 *member of the household of the candidate, except that a candidate for legislative office may solicit or*
 15 *receive honoraria for services performed in relation to the private profession or occupation of the leg-*
 16 *islative official.]*

17 *[(d) Any public official not described in paragraph (b) or (c) of this subsection or a member of the*
 18 *public official's household may receive honoraria.]*

19 *[(2) No public official or candidate for office or a relative of the public official or candidate shall*
 20 *solicit or receive, whether directly or indirectly, during any calendar year, any gift or gifts with an*
 21 *aggregate value in excess of \$100 from any single source who could reasonably be known to have a*
 22 *legislative or administrative interest in any governmental agency in which the official has or the can-*
 23 *didate if elected would have any official position or over which the official exercises or the candidate*
 24 *if elected would exercise any authority.]*

25 (3) [No] **A public official [shall] may not** solicit or receive, either directly or indirectly, and
 26 [no] **a person [shall] may not** offer or give to any public official any pledge or promise of future
 27 employment, based on any understanding that [such public official's] **the** vote, official action or
 28 judgment **of the public official** would be influenced [thereby] **by the pledge or promise.**

29 (4) [No] **A public official [shall] may not** attempt to further or further the personal gain of the
 30 public official through the use of confidential information gained in the course of or by reason of
 31 [the official position] **holding position as a public official** or activities of the public official [in any
 32 way].

33 *[(5) No person shall offer during any calendar year any gifts with an aggregate value in excess*
 34 *of \$100 to any public official or candidate therefor or a relative of the public official or candidate if the*
 35 *person has a legislative or administrative interest in a governmental agency in which the official has*
 36 *or the candidate if elected would have any official position or over which the official exercises or the*
 37 *candidate if elected would exercise any authority.]*

38 *[(6)] (5) [No person shall] A person may not* attempt to represent or represent a client for a
 39 fee before the governing body of a public body of which the person is a member. This subsection
 40 does not apply to the person's employer, business partner or other associate.

41 **(6) The provisions of this section apply regardless of whether actual conflicts of interest**
 42 **or potential conflicts of interest are announced or disclosed under ORS 244.120.**

43 **SECTION 3. (1) During a calendar year, a public official, candidate for public office or a**
 44 **relative or member of the household of the public official or candidate may not solicit or**
 45 **receive, directly or indirectly:**

1 (a) A single gift with a value in excess of \$100 from a single source or multiple sources
 2 that could reasonably be known to have a legislative or administrative interest in any gov-
 3 ernmental agency in which the public official holds, or the candidate if elected would hold,
 4 any official position or over which the public official exercises, or the candidate if elected
 5 would exercise, any authority; or

6 (b) Any gifts with an aggregate value in excess of \$250 from any single source that could
 7 reasonably be known to have a legislative or administrative interest in any governmental
 8 agency in which the public official holds, or the candidate if elected would hold, any official
 9 position or over which the public official exercises, or the candidate if elected would exercise,
 10 any authority.

11 (2) During a calendar year, a person who has a legislative or administrative interest in
 12 any governmental agency in which a public official holds any official position or over which
 13 the public official exercises any authority may not offer to the public official or a relative
 14 or member of the household of the public official:

15 (a) A single gift with a value in excess of \$100; or

16 (b) Any gifts with an aggregate value in excess of \$250.

17 (3) During a calendar year, a person who has a legislative or administrative interest in
 18 any governmental agency in which a candidate for public office if elected would hold any of-
 19 ficial position or over which the candidate if elected would exercise any authority may not
 20 offer to the candidate or a relative or member of the household of the candidate:

21 (a) A single gift with a value in excess of \$100; or

22 (b) Any gifts with an aggregate value in excess of \$250.

23 (4) For purposes of this section, a gift solicited or received by, or offered to, a relative
 24 or member of the household of a public official or candidate for public office is considered a
 25 gift solicited or received by, or offered to, the public official or candidate for public office.
 26 This subsection does not apply if the relative or member of the household is also a public
 27 official or candidate for public office.

28 **SECTION 4.** ORS 244.100 is amended to read:

29 244.100. (1) The Oregon Government Standards and Practices Commission [*by rule may require*]
 30 **may adopt rules requiring** the disclosure and reporting of gifts **that are subject to the limits**
 31 **specified in section 3 of this 2007 Act** or other compensation made to or received by a public of-
 32 ficial or a candidate for [*elective*] **public** office.

33 (2) The commission by rule may exempt from the gift limitation contained in [*ORS 244.040,*]
 34 **section 3 of this 2007 Act** any gift of food or beverage but may require that when gifts of food or
 35 beverage exceed a dollar amount fixed by the commission, the source thereof shall be disclosed on
 36 a form prescribed by the commission.

37 (3) In addition to any disclosures or reports required under [*subsections (1) and (2) of*] this sec-
 38 tion, any person [*or organization*] that provides a public official with food, lodging, [*or*] travel **or**
 39 **event registration** expenses [*exceeding \$50*] **with an aggregate value exceeding \$75**, as described
 40 in ORS 244.060 (6), shall notify the public official in writing of the amount of the expense. The
 41 **person shall provide the** notice [*shall be sent*] to the public official within 10 days from the date
 42 [*such*] **the** expenses are incurred.

43 (4) **In addition to any disclosures or reports required under this section, any person that**
 44 **provides a public official or a relative or member of the household of a public official with**
 45 **an honorarium or other item allowed under section 6 of this 2007 Act with a value exceeding**

1 **\$15 shall notify the public official in writing of the value of the honorarium or other item.**
 2 **The person shall provide the notice to the public official within 10 days after the date of the**
 3 **event for which the honorarium or other item was received.**

4 **SECTION 5.** ORS 244.110 is amended to read:

5 244.110. (1) Any statement of economic interest required to be filed by ORS 244.050, 244.060,
 6 244.070, 244.080[,] or 244.090 or **by rule under ORS 244.100** shall contain or be verified by a written
 7 declaration that it is made under the penalties of false swearing. [*Such*] **The** declaration [*shall be*]
 8 **is** in lieu of any oath otherwise required.

9 (2) [*No*] **A** person [*shall*] **may not** willfully make and subscribe any return statement or other
 10 document [*which*] **that** contains or is verified by a written declaration that it is made under pen-
 11 ties for false swearing, which the person does not believe to be true and correct to every matter.

12
 13 **HONORARIA**
 14

15 **SECTION 6.** (1) **Except as provided in subsection (3) of this section, a public official may**
 16 **not solicit or receive, whether directly or indirectly, honoraria for the public official or any**
 17 **relative or member of the household of the public official if the honoraria are solicited or**
 18 **received in connection with the official duties of the public official.**

19 (2) **Except as provided in subsection (3) of this section, a candidate for public office may**
 20 **not solicit or receive, whether directly or indirectly, honoraria for the candidate or any rel-**
 21 **ative or member of the household of the candidate if the honoraria are solicited or received**
 22 **in connection with the official duties of the public office for which the person is a candidate.**

23 (3) **This section does not prohibit the solicitation or receipt of:**

24 (a) **An honorarium or a certificate, plaque, commemorative token or other item with a**
 25 **value of \$50 or less; or**

26 (b) **Honoraria for services performed in relation to a private profession, occupation,**
 27 **avocation or expertise of the public official or candidate for public office.**

28 **SECTION 7.** ORS 244.060 is amended to read:

29 244.060. The statement of economic interest filed under ORS 244.050[,] shall be on a form pre-
 30 scribed by the Oregon Government Standards and Practices Commission, and the [*person*] **public**
 31 **official or candidate for public office** filing the statement shall supply the information required
 32 by this section and ORS 244.090, as follows:

33 (1) The [*name*] **names** of all positions as officer of a business and business directorships held
 34 by the person or a member of the household of the person during the preceding calendar year.

35 (2) All names under which the person and members of the household of the person do business.

36 (3) Sources of income received at any time during the preceding calendar year by the person
 37 or a member of the household of the person that produce 10 percent or more of the total annual
 38 household income.

39 (4) The name, principal address and brief description of the source of income from which 50
 40 percent or more of the total annual income of the person and members of the household of the
 41 person was received during the preceding calendar year and whether the source existed during the
 42 preceding year, and whether the source is derived from an entity that [*now*] does business **with** or
 43 could reasonably be expected to do business **with**, or has legislative or administrative interest in,
 44 the governmental agency [*of*] **in** which the public official [*is*] **holds**, or the candidate if elected would
 45 [*be a member*] **hold, any official position** or over which the public official [*has*] **exercises**, or the

1 candidate if elected would *[have]* **exercise, any** authority.

2 (5)(a) *[The listing]* **A list** of all real property in which the public official or candidate *[therefor]*
 3 **for public office** or a member of the household of the public official or candidate has or has had
 4 any personal, beneficial ownership interest during the preceding calendar year, any options to pur-
 5 chase or sell real property, including a land sales contract, and any other rights of any kind in real
 6 property located within the geographic boundaries of the governmental agency of which the public
 7 official *[is]* **holds**, or the candidate if elected would *[be a member]* **hold, any official position** or
 8 over which the public official *[has]* **exercises**, or the candidate if elected would *[have]* **exercise,**
 9 **any** authority.

10 (b) This subsection does not require the listing of the principal residence of the public official
 11 or candidate.

12 (6)*[(a)]* Notwithstanding ORS 244.020 *[(7)(c)]* **(6)(b)(C)**, if a public official has received food,
 13 lodging, *[and payment of]* travel **or event registration** expenses exceeding *[\$100]* **an aggregate**
 14 **amount of \$75** when participating in an event which bears a relationship to the public official's
 15 office and when appearing in an official capacity, the name, nature and business address of the *[or-*
 16 *ganization]* **person** paying the expenses and the date and amount of that expenditure.

17 *[(b) Beginning on July 1, 1992, the dollar amount specified in paragraph (a) of this subsection shall*
 18 *be adjusted annually by the commission based upon the change in the Portland Consumer Price Index*
 19 *for All Urban Consumers for All Items as prepared by the Bureau of Labor Statistics of the United*
 20 *States Department of Labor or its successor during the preceding 12-month period. The amount deter-*
 21 *mined under this paragraph shall be rounded to the nearest dollar.]*

22 (7) *[Any honoraria]* **If a public official or a relative or member of the household of the**
 23 **public official has received an honorarium or other item allowed under section 6 of this 2007**
 24 **Act** exceeding *[\$50 received]* **\$15** during the preceding calendar year *[by the person or a member of*
 25 *the household of the person, the payer of the honoraria],* **the name, nature and business address**
 26 **of the person providing the honorarium or other item** and the date and time of the event for
 27 which the *[honoraria]* **honorarium or other item** was received.

28 **(8) If a public official has received an unsolicited award for professional achievement re-**
 29 **lated to the official's holding of an official position or office with a value exceeding \$75, the**
 30 **name, nature and business address of the person providing the award, the date the award**
 31 **was received and value of the award.**

32 **SECTION 8.** ORS 244.280 is amended to read:

33 244.280. (1) Upon the written request of any *[public official, candidate for public office or any]*
 34 person, or upon its own motion, the Oregon Government Standards and Practices Commission, under
 35 signature of the chairperson, may issue and publish opinions on the requirements of this chapter,
 36 based on actual or hypothetical circumstances.

37 (2) If any public official or business with which the public official is associated is in doubt
 38 whether a proposed transaction or action constitutes a violation of this chapter, the public official
 39 or the business may request in writing a determination from the commission. *[If any public official*
 40 *is in doubt whether receipt of an honoraria is in violation of this chapter because the person paying*
 41 *the honoraria may be found to have a legislative or administrative interest, the public official shall*
 42 *request in writing a determination from the commission.]* The requester shall supply such information
 43 as the commission requests to enable *[it to issue the interpretation]* **the commission to make the**
 44 **determination.**

45 (3) A public official *[or business with which a public official is associated shall not be]* **is not li-**

1 able under this chapter[,] for any action or transaction carried out in accordance with [*an advisory*
 2 *interpretation issued*] **a determination made** under subsection (2) of this section. [*Such an advisory*
 3 *interpretation shall be*] **The determination is** considered a formal opinion having precedential effect
 4 and [*shall be subject to review*] **must be reviewed** by legal counsel to the commission before the
 5 [*interpretation*] **determination** is sent to the requester.

6 **SECTION 9.** ORS 351.067 is amended to read:

7 351.067. (1) In carrying out its authority under ORS 351.070, the State Board of Higher Educa-
 8 tion may authorize receipt of compensation for any officer or employee of the Oregon University
 9 System from private or public resources, including, but not limited to, income from:

10 (a) Consulting;

11 (b) Appearances and speeches;

12 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within
 13 the Oregon University System;

14 (d) Providing services or other valuable consideration for a private corporation, individual, or
 15 entity, whether paid in cash or in-kind, stock or other equity interest, or anything of value regard-
 16 less of whether there is a licensing agreement between the Oregon University System and the pri-
 17 vate entity; and

18 (e) Performing public duties paid by private organizations, including institution corporate affil-
 19 iates, which augment an officer's or employee's publicly funded salary. Such income shall be au-
 20 thorized and received in accordance with policies and rules established by the board.

21 (2) The board [*shall*] **may** not authorize compensation, as defined in subsection (1) of this sec-
 22 tion, that, in the board's judgment, does not comport with the mission of the institution and the
 23 Oregon University System or substantially interferes with an officer's or employee's duties to the
 24 Oregon University System.

25 (3) Any compensation, described and authorized under subsection (1) of this section, [*shall be*]
 26 **is** considered official [*salary, honorarium*] **compensation** or reimbursement of expenses for purposes
 27 of ORS 244.040 **and is not considered an honorarium prohibited by section 6 of this 2007 Act.**
 28 If authorization or receipt of [*such*] **the** compensation creates a potential conflict of interest, the
 29 **officer or employee shall report the** potential conflict [*shall be reported*] in writing in accordance
 30 with rules of the state board. The disclosure is a public record subject to public inspection.

31 (4) The state board shall adopt by rule standards governing employee outside employment and
 32 activities, including potential conflict of interest, as defined by state board rule and consistent with
 33 ORS 244.020, and the public disclosure thereof, and procedures for reporting and hearing potential
 34 or actual conflict of interest complaints.

35 **SECTION 10.** ORS 353.270 is amended to read:

36 353.270. (1) Oregon Health and Science University may authorize receipt of compensation for
 37 any officer or employee of the university from private or public resources, including but not limited
 38 to income from:

39 (a) Consulting;

40 (b) Appearances and speeches;

41 (c) Intellectual property conceived, reduced to practice or originated and therefore owned within
 42 the university;

43 (d) Providing services or other valuable consideration for a private corporation, individual or
 44 entity, whether paid in cash or in kind, stock or other equity interest, or anything of value regard-
 45 less of whether there is a licensing agreement between the university and the private entity;

1 (e) Performing public duties paid by private organizations, including university corporate affil-
 2 iates, that augment an officer's or employee's publicly funded salary. Such income shall be author-
 3 ized and received in accordance with policies established by the university; and

4 (f) Providing medical and other health services.

5 (2) The university shall not authorize compensation, as described in subsection (1) of this sec-
 6 tion, that, in the university's judgment, does not comport with the missions of the university or
 7 substantially interferes with an officer's or employee's duties to the university.

8 (3) Any compensation described and authorized under subsection (1) of this section [*shall be*] is
 9 considered official [*salary, honorarium*] **compensation** or reimbursement of expenses for purposes
 10 of ORS 244.040 **and is not considered an honorarium prohibited by section 6 of this 2007 Act.**
 11 If authorization or receipt of [*such*] **the** compensation creates a potential conflict of interest, the
 12 **officer or employee shall report the** potential conflict [*shall be reported*] in writing in accordance
 13 with policies of the university. The disclosure is a public record subject to public inspection.

14 (4) The university shall adopt standards governing employee outside employment and activities
 15 of employees, including potential conflicts of interest, as defined by the university and consistent
 16 with ORS 244.020, and the public disclosure thereof, and procedures for reporting and hearing po-
 17 tential or actual conflict of interest complaints.

18 **SECTION 11.** ORS 244.010 is amended to read:

19 244.010. (1) The Legislative Assembly [*hereby*] declares that [*a public office*] **service as a public**
 20 **official** is a public trust[,] and that, as one safeguard for that trust, the people require all public
 21 officials to [*adhere to the code of ethics set forth in ORS 244.040*] **comply with the applicable pro-**
 22 **visions of this chapter.**

23 (2) The Legislative Assembly recognizes that it is the policy of the state to have serving on
 24 many state and local boards and commissions state and local officials who may have potentially
 25 conflicting public responsibilities by virtue of their positions as public officials and also as members
 26 of the boards and commissions, and declares it to be the policy of the state that the holding of such
 27 offices does not constitute the holding of incompatible offices unless expressly stated in the enabling
 28 legislation.

29
 30 **CONFORMING AMENDMENTS**

31
 32 **SECTION 12.** ORS 171.745 is amended to read:

33 171.745. (1) A lobbyist registered with the Oregon Government Standards and Practices Com-
 34 mission or required to register with the commission shall, on January 31 and July 31, of each
 35 even-numbered year, and on January 31, April 30 and July 31 of each odd-numbered year, file with
 36 the commission a statement showing:

37 (a) The total amount of all moneys expended by the lobbyist for the purpose of lobbying in the
 38 preceding reporting period for:

- 39 (A) Food, refreshments and entertainment;
- 40 (B) Printing, postage and telephone;
- 41 (C) Advertising, public relations, education and research; and
- 42 (D) Miscellaneous; and

43 (b) The name of any legislative or executive official to whom or for whose benefit, on any one
 44 occasion, an expenditure in excess of \$25 is made for the purposes of lobbying, and the date, name
 45 of payee, purpose and amount of that expenditure.

1 (2) Beginning on July 1, 1979, the dollar amount specified in subsection (1)(b) of this section
 2 shall be adjusted annually by the commission based upon the change in the Portland Consumer Price
 3 Index for All Urban Consumers for All Items as prepared by the Bureau of Labor Statistics of the
 4 United States Department of Labor or its successor during the preceding 12-month period. The
 5 amount determined under this subsection shall be rounded to the nearest dollar.

6 (3) Statements required by this section need not include amounts expended by the lobbyist for
 7 personal living and travel expenses and office overhead, including salaries and wages paid for staff
 8 and secretarial assistance, and maintenance expenses. If the amount of any expenditure required to
 9 be included in a statement is not accurately known at the time the statement is required to be filed,
 10 an estimate of the expenditure shall be submitted in the statement and designated as an estimate.
 11 The exact amount expended for which a previous estimate was made shall be submitted in a subse-
 12 quent report when the information is available.

13 (4) Notwithstanding ORS 171.735, 171.740 and subsections (1) to (3) of this section, a registered
 14 lobbyist, who engages in lobbying activities without compensation on behalf of an organization is
 15 not required to register as a lobbyist for the organization as long as the lobbying activity does not
 16 exceed the financial or time limits set in ORS 171.735 (4).

17 (5) A statement required by this section shall include a copy of any notice provided to a public
 18 official under ORS 244.100 (3) **or** (4).

19 (6) For each statement required by this section, an entity comprised of more than one lobbyist
 20 may file one statement that reports expenditures by the entity and not by individual lobbyists.

21 **SECTION 13.** ORS 171.750 is amended to read:

22 171.750. (1) Any person on whose behalf a lobbyist was registered, or was required to register
 23 with the Oregon Government Standards and Practices Commission at any time during the preceding
 24 calendar year, shall file with the commission, by January 31st of each year, a statement showing,
 25 for the preceding calendar year:

26 (a) The total amount of all moneys expended for lobbying activities on the person's behalf, ex-
 27 cluding living and travel expenses incurred for a lobbyist performing lobbying services.

28 (b) The name of any legislative or executive official to whom or for whose benefit, on any one
 29 occasion, an expenditure in excess of \$25 for the purpose of lobbying is made by the person, but not
 30 including information previously reported in compliance with ORS 171.745, and the date, name of
 31 payee, purpose and amount of that expenditure.

32 (2) Using July 1, 1979, as the base, the dollar amount specified in subsection (1)(b) of this section
 33 shall be adjusted annually by the commission based upon the change in the Portland Consumer Price
 34 Index for All Urban Consumers for All Items as prepared by the Bureau of Labor Statistics of the
 35 United States Department of Labor, or its successor, during the preceding 12-month period. The
 36 amount determined under this subsection shall be rounded to the nearest dollar.

37 (3) A statement required under subsection (1) of this section shall include a copy of any notice
 38 provided to a public official under ORS 244.100 (3) **or** (4).

39 **SECTION 14.** ORS 293.708 is amended to read:

40 293.708. (1) As used in this section:

41 (a) "Business" has the meaning given that term in ORS 244.020.

42 (b) "Business with which the person is associated" has the meaning given that term in ORS
 43 244.020.

44 (c) "Relative" has the meaning given that term in ORS 244.020.

45 (2) When a member of the Oregon Investment Council becomes aware that action on a matter

1 pending before the council might lead to private pecuniary benefit or detriment to the person, to a
 2 relative of the person or to a business with which the person or a relative of the person is associ-
 3 ated, the member shall notify in writing the State Treasurer or the Chief Deputy State Treasurer
 4 that any action, decision or recommendation by the member might constitute an actual or potential
 5 conflict of interest. The member shall provide the notice not later than three business days after the
 6 member becomes aware of the possibility of an actual or potential conflict.

7 (3) Subsection (2) of this section does not apply if the pecuniary benefit or detriment arises out
 8 of circumstances described in ORS 244.020 [(14)(a) to (c)] **(12)(a) to (c)**.

9 (4) Nothing in this section excuses a member of the council from compliance with ORS 244.120.

10 **SECTION 15.** ORS 469.810 is amended to read:

11 469.810. (1) A Pacific Northwest Electric Power and Conservation Planning Council member[,]
 12 or member of the council member’s household[, *as defined in ORS 244.020, shall*] **may** not own or
 13 have any beneficial interest in any stock or indebtedness of any utility or direct service industry.

14 (2) A council member[,] or a member of [a] **the** council member’s household[, *as defined in ORS*
 15 *244.020, shall*] **may** not be a director, officer, agent or employee of any utility or direct service in-
 16 dustry.

17 (3) A council member[,] or a member of [a] **the** council member’s household[, *as defined in ORS*
 18 *244.020, shall*] **may** not be a director, officer, agent or employee of or hold any proprietary interest
 19 in any consulting firm [*which*] **that** does business with any utility or direct service industry.

20 (4) A council member[,] or a member of the council member’s household[, *as defined in ORS*
 21 *244.020, shall*] **may** not receive any compensation from any utility or direct service industry arising
 22 out of the member’s business, trade or profession.

23 (5) A council member [*shall be considered*] **is** a public official [*and be*] subject to the provisions
 24 **and reporting requirements** of ORS chapter 244[, *including the reporting requirements thereof*].

25 (6) A council member [*shall*] **must** be a citizen of the United States and [*have been a resident*
 26 *of*] **must have resided in** the State of Oregon for **at least** one year preceding appointment.

27 (7) A council member [*shall*] **may** not hold any other elected or appointed [*public*] lucrative
 28 **public** office or be principally engaged in any other business or vocation.

29 (8) As used in this section:

30 (a) “Beneficial interest” does not include an interest in a pension fund, a mutual fund or an in-
 31 surance fund.

32 (b) “Consulting firm” means any corporation, partnership or sole proprietorship whose principal
 33 business is providing personal services.

34 (c) **“Member of the household” means any relative who resides with the council member.**

35 (d) **“Relative” means the spouse of the council member, any children of the council**
 36 **member or of the council member’s spouse, and brothers, sisters or parents of the council**
 37 **member or of the council member’s spouse.**

38 [(c)] (e) “Utility or direct service industry” means a utility or direct service industry customer
 39 that purchases electrical energy directly from the Bonneville Power Administration.

40
 41 **MISCELLANEOUS PROVISIONS**

42
 43 **SECTION 16.** (1) **Section 3 of this 2007 Act is added to and made a part of ORS 244.010**
 44 **to 244.040.**

45 (2) **Section 6 of this 2007 Act is added to and made a part of ORS chapter 244.**

1 **SECTION 17.** (1) Section 3 of this 2007 Act applies to gifts received or made on or after
2 the effective date of this 2007 Act.

3 (2) The amendments to ORS 244.020 and 244.040 by sections 1 and 2 of this 2007 Act apply
4 to activities that occur on or after the effective date of this 2007 Act.

5 (3) Section 6 of this 2007 Act and the amendments to ORS 244.040 by section 2 of this 2007
6 Act apply to honoraria solicited or received on or after the effective date of this 2007 Act.

7 (4) The amendments to ORS 244.060 by section 7 of this 2007 Act apply to food, lodging,
8 travel or event registration expenses, honoraria or other items allowed under section 6 of
9 this 2007 Act and unsolicited awards for professional achievement received on or after the
10 effective date of this 2007 Act. A public official shall list on the first statement of economic
11 interest filed after the effective date of this 2007 Act all food, lodging and travel expenses the
12 public official received prior to the effective date of this 2007 Act that were:

13 (a) Required to be reported under ORS 244.060 on the day before the effective date of this
14 2007 Act; and

15 (b) Were not reported on a previous statement of economic interest the public official
16 filed.

17 (5) The amendments to ORS 351.067 and 353.270 by sections 9 and 10 of this 2007 Act apply
18 to compensation received on or after the effective date of this 2007 Act.

19 **SECTION 18.** (1) Any proceeding, action, prosecution or other business or matter
20 undertaken or commenced before the effective date of this 2007 Act by the Oregon Govern-
21 ment Standards and Practices Commission under any provision of ORS chapter 244 and still
22 pending on the effective date of this 2007 Act may be conducted and completed by the com-
23 mission in the same manner, under the same terms and conditions and with the same effect
24 as though undertaken, conducted or completed before the effective date of this 2007 Act.

25 (2) Sections 3 and 6 of this 2007 Act and the amendments to ORS 244.010, 244.020, 244.040,
26 244.060, 244.100, 244.110, 244.280, 351.067 and 353.270 by sections 1, 2, 4, 5 and 7 to 11 of this
27 2007 Act do not relieve any person of any obligation with respect to any tax, fee, fine, civil
28 penalty or other charge, interest, penalty, forfeiture or other liability, duty or obligation.

29 **SECTION 19.** The unit captions used in this 2007 Act are provided only for the conven-
30 ience of the reader and do not become part of the statutory law of this state or express any
31 legislative intent in the enactment of this 2007 Act.

32