

House Bill 2504

Sponsored by Representative HUFFMAN; Representatives BENTZ, BERGER, ESQUIVEL, FREEMAN, GARRARD, GILLIAM, GILMAN, HANNA, JENSON, MAURER, G SMITH, THATCHER, WHISNANT

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**.

Modifies required contents of statement of economic interest. Removes requirement that certain county, city and local public officials file statement of economic interest.

Prevents disclosure of home address and home telephone number of public safety officer contained in statements filed with Oregon Government Ethics Commission.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to government ethics; creating new provisions; amending ORS 244.050, 244.055, 244.060 and
3 244.290; and declaring an emergency.

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

5 **SECTION 1.** ORS 244.050 is amended to read:

6 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
7 Government Ethics Commission a verified statement of economic interest as required under this
8 chapter:

9 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
10 Bureau of Labor and Industries, Superintendent of Public Instruction, district attorneys and mem-
11 bers of the Legislative Assembly.

12 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
13 judicial officer who does not otherwise serve as a judicial officer.

14 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.

15 (d) The Deputy Attorney General.

16 (e) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
17 Secretary of the Senate and the Chief Clerk of the House of Representatives.

18 (f) The Chancellor and Vice Chancellors of the Oregon University System and the president and
19 vice presidents, or their administrative equivalents, in each institution under the jurisdiction of the
20 State Board of Higher Education.

21 (g) The following state officers:

22 (A) Adjutant General.

23 (B) Director of Agriculture.

24 (C) Manager of State Accident Insurance Fund Corporation.

25 (D) Water Resources Director.

26 (E) Director of Department of Environmental Quality.

27 (F) Director of Oregon Department of Administrative Services.

28 (G) State Fish and Wildlife Director.

29 (H) State Forester.

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 (I) State Geologist.
- 2 (J) Director of Human Services.
- 3 (K) Director of the Department of Consumer and Business Services.
- 4 (L) Director of the Department of State Lands.
- 5 (M) State Librarian.
- 6 (N) Administrator of Oregon Liquor Control Commission.
- 7 (O) Superintendent of State Police.
- 8 (P) Director of the Public Employees Retirement System.
- 9 (Q) Director of Department of Revenue.
- 10 (R) Director of Transportation.
- 11 (S) Public Utility Commissioner.
- 12 (T) Director of Veterans' Affairs.
- 13 (U) Executive Director of Oregon Government Ethics Commission.
- 14 (V) Director of the State Department of Energy.
- 15 (W) Director and each assistant director of the Oregon State Lottery.
- 16 (h) Any assistant in the Governor's office other than personal secretaries and clerical personnel.
- 17 *[(i) Every elected city or county official.]*
- 18 *[(j) Every member of a city or county planning, zoning or development commission.]*
- 19 *[(k) The chief executive officer of a city or county who performs the duties of manager or principal*
- 20 *administrator of the city or county.]*
- 21 *[(L) Members of local government boundary commissions formed under ORS 199.410 to 199.519.]*
- 22 *[(m) Every member of a governing body of a metropolitan service district and the executive officer*
- 23 *thereof.]*
- 24 *[(n)]* (i) Each member of the board of directors of the State Accident Insurance Fund Corpo-
25 ration.
- 26 *[(o)]* (j) The chief administrative officer and the financial officer of each common and union high
27 school district, education service district and community college district.
- 28 *[(p)]* (k) Every member of the following state boards and commissions:
29 (A) Board of Geologic and Mineral Industries.
30 (B) Oregon Economic and Community Development Commission.
31 (C) State Board of Education.
32 (D) Environmental Quality Commission.
33 (E) Fish and Wildlife Commission of the State of Oregon.
34 (F) State Board of Forestry.
35 (G) Oregon Government Ethics Commission.
36 (H) Oregon Health Policy Commission.
37 (I) State Board of Higher Education.
38 (J) Oregon Investment Council.
39 (K) Land Conservation and Development Commission.
40 (L) Oregon Liquor Control Commission.
41 (M) Oregon Short Term Fund Board.
42 (N) State Marine Board.
43 (O) Mass transit district boards.
44 (P) Energy Facility Siting Council.
45 (Q) Board of Commissioners of the Port of Portland.

- 1 (R) Employment Relations Board.
- 2 (S) Public Employees Retirement Board.
- 3 (T) Oregon Racing Commission.
- 4 (U) Oregon Transportation Commission.
- 5 (V) Wage and Hour Commission.
- 6 (W) Water Resources Commission.
- 7 (X) Workers' Compensation Board.
- 8 (Y) Oregon Facilities Authority.
- 9 (Z) Oregon State Lottery Commission.
- 10 (AA) Pacific Northwest Electric Power and Conservation Planning Council.
- 11 (BB) Columbia River Gorge Commission.
- 12 (CC) Oregon Health and Science University Board of Directors.

13 [(q)] (L) The following officers of the State Treasurer:

- 14 (A) Chief Deputy State Treasurer.
- 15 (B) Chief of staff for the office of the State Treasurer.
- 16 (C) Director of the Investment Division.

17 [(r)] (m) Every member of the board of commissioners of a port governed by ORS 777.005 to
 18 777.725 or 777.915 to 777.953.

19 [(s)] (n) Every member of the board of directors of an authority created under ORS 441.525 to
 20 441.595.

21 (2) By April 15 next after the date an appointment takes effect, every appointed public official
 22 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
 23 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
 24 and 244.090.

25 (3) By April 15 next after the filing deadline for the primary election, each candidate for public
 26 office described in subsection (1) of this section shall file with the commission a statement of eco-
 27 nomic interest as required under ORS 244.060, 244.070 and 244.090.

28 (4) Within 30 days after the filing deadline for the general election, each candidate for public
 29 office described in subsection (1) of this section who was not a candidate in the preceding primary
 30 election, or who was nominated for public office described in subsection (1) of this section at the
 31 preceding primary election by write-in votes, shall file with the commission a statement of economic
 32 interest as required under ORS 244.060, 244.070 and 244.090.

33 (5) Subsections (1) to (4) of this section apply only to persons who are incumbent, elected or
 34 appointed public officials as of April 15 and to persons who are candidates for public office on April
 35 15. Subsections (1) to (4) of this section also apply to persons who do not become candidates until
 36 30 days after the filing deadline for the statewide general election.

37 (6) If a statement required to be filed under this section has not been received by the commis-
 38 sion within five days after the date the statement is due, the commission shall notify the public of-
 39 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
 40 requirements of this section. If the public official or candidate fails to comply by the date set by the
 41 commission, the commission may impose a civil penalty as provided in ORS 244.350.

42 **SECTION 2.** ORS 244.055 is amended to read:

43 244.055. (1) In addition to the statement required by ORS 244.050, the State Treasurer and any
 44 person listed under ORS 244.050 [(I)(q)] (1)(L) and this subsection shall file quarterly at a time fixed
 45 by the State Treasurer a trading statement listing all stocks, bonds and other types of securities

1 purchased or sold during the preceding quarter:

2 (a) Directors of the Cash Management Division and the Debt Management Division.

3 (b) Equities, fixed income, short term fund, real estate, equities real estate and commercial and
4 mortgage real estate investment officers and assistant investment officers.

5 (c) Fixed income and short term fund investment analysts.

6 (2) The statement required by subsection (1) of this section shall be filed for review with the
7 State Treasurer, the Attorney General and the Division of Audits of the office of the Secretary of
8 State. The content of the statement is confidential.

9 (3) If the State Treasurer or the Chief Deputy State Treasurer determines that a conflict of in-
10 terest exists for an officer or employee, the State Treasurer shall subject the person to appropriate
11 discipline, including dismissal or termination of the contract, or both, pursuant to rule. If the State
12 Treasurer has cause to believe that a violation of this chapter has occurred, the State Treasurer
13 shall file a complaint with the Oregon Government Ethics Commission under ORS 244.260.

14 (4) If the State Treasurer fails to act on an apparent conflict of interest under subsection (3)
15 of this section or if the statement of the State Treasurer or the Chief Deputy State Treasurer ap-
16 pears to contain a conflict of interest, the Director of the Division of Audits shall report the failure
17 or apparent conflict to the Attorney General, who may file a complaint with the commission.

18 **SECTION 3.** ORS 244.060 is amended to read:

19 244.060. The statement of economic interest filed under ORS 244.050 shall be on a form pre-
20 scribed by the Oregon Government Ethics Commission. The public official or candidate for public
21 office filing the statement shall supply the information required by this section and ORS 244.090, as
22 follows:

23 (1) The names of all positions as officer of a business and business directorships held by the
24 person or a member of the household of the person during the preceding calendar year, and the
25 principal address and a brief description of each business.

26 (2) All names under which the person and members of the household of the person do business
27 and the principal address and a brief description of each business.

28 (3) The names, principal addresses and brief descriptions of the five most significant sources of
29 income received at any time during the preceding calendar year by the person and by each member
30 of the household of the person, a description of the type of income and the name of the person re-
31 ceiving the income.

32 (4)(a) A list of all real property in which the public official or candidate for public office or a
33 member of the household of the public official or candidate has or has had any personal, beneficial
34 ownership interest during the preceding calendar year, any options to purchase or sell real property,
35 including a land sales contract, and any other rights of any kind in real property located within the
36 geographic boundaries of the governmental agency of which the public official holds, or the candi-
37 date if elected would hold, any official position or over which the public official exercises, or the
38 candidate if elected would exercise, any authority.

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

41 (5) The name of each member of the household of the person who is 18 years of age or older.

42 [(6) *The name of each relative of the person who is 18 years of age or older and not a member of*
43 *the household of the person.*]

44 **SECTION 4.** ORS 244.290 is amended to read:

45 244.290. (1) The Oregon Government Ethics Commission shall:

1 (a) Prescribe forms for statements required by this chapter and provide the forms to persons
 2 required to file the statements under this chapter or pursuant to a resolution adopted under ORS
 3 244.160.

4 (b) Develop a filing, coding and cross-indexing system consistent with the purposes of this
 5 chapter.

6 (c) Prepare and publish reports the commission finds are necessary.

7 (d) Make advisory opinions issued by the commission or the executive director of the commis-
 8 sion available to the public at no charge on the Internet.

9 (e) Accept and file any information voluntarily supplied that exceeds the requirements of this
 10 chapter.

11 (f) **Except as provided in subsection (7) of this section**, make statements and other informa-
 12 tion filed with the commission available for public inspection and copying during regular office
 13 hours, and make copying facilities available at a charge not to exceed actual cost.

14 (g) Not later than February 1 of each odd-numbered year, report to the Legislative Assembly
 15 any recommended changes to provisions of ORS 171.725 to 171.785 or this chapter.

16 (2) The commission shall adopt rules necessary to carry out its duties under ORS 171.725 to
 17 171.785 and 171.992 and this chapter, including rules to:

18 (a) Create a procedure under which items before the commission may be treated under a consent
 19 calendar and voted on as a single item;

20 (b) Exempt a public official who is otherwise required to file a statement pursuant to ORS
 21 244.050 from filing the statement if the regularity, number and frequency of the meetings and actions
 22 of the body over which the public official has jurisdiction are so few or infrequent as not to warrant
 23 the public disclosure;

24 (c) Establish an administrative process whereby a person subpoenaed by the commission may
 25 obtain a protective order;

26 (d) List criteria and establish a process for the commission to use prosecutorial discretion to
 27 decide whether to proceed with an inquiry or investigation;

28 (e) Establish a procedure under which the commission shall conduct accuracy audits of a sample
 29 of reports or statements filed with the commission under this chapter or ORS 171.725 to 171.785;

30 (f) Describe the application of provisions exempting items from the definition of “gift” in ORS
 31 244.020 (5)(b) and the application of the prohibition on entertainment contained in ORS 244.025;

32 (g) Specify when a continuing violation is considered a single violation or a separate and dis-
 33 tinct violation for each day the violation occurs; and

34 (h) Set criteria for determining the amount of civil penalties that the commission may impose.

35 (3) The commission may adopt rules that:

36 (a) Limit the minimum size of, or otherwise establish criteria for or identify, the smaller classes
 37 that qualify under the class exception from the definition of “potential conflict of interest” under
 38 ORS 244.020;

39 (b) Require the disclosure and reporting of gifts or other compensation made to or received by
 40 a public official or candidate for public office;

41 (c) Establish criteria for cases in which information relating to notices of actual or potential
 42 conflicts of interest shall, may not or may be provided to the commission under ORS 244.130; or

43 (d) Allow the commission to accept the filing of a statement containing less than all of the in-
 44 formation required under ORS 244.060 and 244.070 if the public official or candidate for public office
 45 certifies on the statement that the information contained on the statement previously filed is un-

1 changed or certifies only as to any changed material.

2 (4) Not less frequently than once each calendar year, the commission shall:

3 (a) Consider adoption of rules the commission deems necessary to implement or interpret pro-
4 visions of this chapter relating to issues the commission determines are of general interest to public
5 officials or candidates for public office or that are addressed by the commission or by commission
6 staff on a recurring basis; and

7 (b) Review rules previously adopted by the commission to determine whether the rules have
8 continuing applicability or whether the rules should be amended or repealed.

9 (5) The commission shall adopt by rule an electronic filing system under which statements re-
10 quired to be filed under ORS 244.050, 244.100 and 244.217 may be filed, without a fee, with the
11 commission in an electronic format. The commission shall accept statements filed under ORS
12 244.050, 244.100 and 244.217 in a format that is not electronic.

13 (6) The commission shall make statements filed under ORS 244.050, 244.100 and 244.217, includ-
14 ing statements that are not filed in an electronic format, available in a searchable format for review
15 by the public using the Internet.

16 **(7) The commission may not disclose to the public the home address or home telephone**
17 **number of a public safety officer, as defined in ORS 181.610, contained in statements or other**
18 **information filed with the commission.**

19 **SECTION 5.** ORS 244.290, as amended by section 9d, chapter 877, Oregon Laws 2007, is
20 amended to read:

21 244.290. (1) The Oregon Government Ethics Commission shall:

22 (a) Prescribe forms for statements required by this chapter and provide the forms to persons
23 required to file the statements under this chapter or pursuant to a resolution adopted under ORS
24 244.160.

25 (b) Develop a filing, coding and cross-indexing system consistent with the purposes of this
26 chapter.

27 (c) Prepare and publish reports the commission finds are necessary.

28 (d) Make advisory opinions issued by the commission or the executive director of the commis-
29 sion available to the public at no charge on the Internet.

30 (e) Accept and file any information voluntarily supplied that exceeds the requirements of this
31 chapter.

32 (f) **Except as provided in subsection (7) of this section,** make statements and other informa-
33 tion filed with the commission available for public inspection and copying during regular office
34 hours, and make copying facilities available at a charge not to exceed actual cost.

35 (g) Not later than February 1 of each odd-numbered year, report to the Legislative Assembly
36 any recommended changes to provisions of ORS 171.725 to 171.785 or this chapter.

37 (2) The commission shall adopt rules necessary to carry out its duties under ORS 171.725 to
38 171.785 and 171.992 and this chapter, including rules to:

39 (a) Create a procedure under which items before the commission may be treated under a consent
40 calendar and voted on as a single item;

41 (b) Exempt a public official who is otherwise required to file a statement pursuant to ORS
42 244.050 from filing the statement if the regularity, number and frequency of the meetings and actions
43 of the body over which the public official has jurisdiction are so few or infrequent as not to warrant
44 the public disclosure;

45 (c) Establish an administrative process whereby a person subpoenaed by the commission may

1 obtain a protective order;

2 (d) List criteria and establish a process for the commission to use prosecutorial discretion to
3 decide whether to proceed with an inquiry or investigation;

4 (e) Establish a procedure under which the commission shall conduct accuracy audits of a sample
5 of reports or statements filed with the commission under this chapter or ORS 171.725 to 171.785;

6 (f) Describe the application of provisions exempting items from the definition of "gift" in ORS
7 244.020 (5)(b) and the application of the prohibition on entertainment contained in ORS 244.025;

8 (g) Specify when a continuing violation is considered a single violation or a separate and dis-
9 tinct violation for each day the violation occurs; and

10 (h) Set criteria for determining the amount of civil penalties that the commission may impose.

11 (3) The commission may adopt rules that:

12 (a) Limit the minimum size of, or otherwise establish criteria for or identify, the smaller classes
13 that qualify under the class exception from the definition of "potential conflict of interest" under
14 ORS 244.020;

15 (b) Require the disclosure and reporting of gifts or other compensation made to or received by
16 a public official or candidate for public office;

17 (c) Establish criteria for cases in which information relating to notices of actual or potential
18 conflicts of interest shall, may not or may be provided to the commission under ORS 244.130; or

19 (d) Allow the commission to accept the filing of a statement containing less than all of the in-
20 formation required under ORS 244.060 and 244.070 if the public official or candidate for public office
21 certifies on the statement that the information contained on the statement previously filed is un-
22 changed or certifies only as to any changed material.

23 (4) Not less frequently than once each calendar year, the commission shall:

24 (a) Consider adoption of rules the commission deems necessary to implement or interpret pro-
25 visions of this chapter relating to issues the commission determines are of general interest to public
26 officials or candidates for public office or that are addressed by the commission or by commission
27 staff on a recurring basis; and

28 (b) Review rules previously adopted by the commission to determine whether the rules have
29 continuing applicability or whether the rules should be amended or repealed.

30 (5) The commission shall adopt by rule an electronic filing system under which statements re-
31 quired to be filed under ORS 244.050, 244.100 and 244.217 must be filed, without a fee, with the
32 commission in an electronic format.

33 (6) The commission shall make statements filed under ORS 244.050, 244.100 and 244.217 available
34 in a searchable format for review by the public using the Internet.

35 (7) **The commission may not disclose to the public the home address or home telephone**
36 **number of a public safety officer, as defined in ORS 181.610, contained in statements or other**
37 **information filed with the commission.**

38 **SECTION 6. The amendments to ORS 244.050 and 244.060 by sections 1 and 3 of this 2009**
39 **Act apply to statements due on or after the effective date of this 2009 Act.**

40 **SECTION 7. This 2009 Act being necessary for the immediate preservation of the public**
41 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
42 **on its passage.**

43