

House Bill 2518

Sponsored by Representative ROBLAN; Representatives BARKER, BEYER, BUCKLEY, GARRARD, GELSER, GREENLICK, HOLVEY, NATHANSON, RILEY, STIEGLER, THATCHER, WHISNANT, Senators BATES, BURDICK, JOHNSON, MORRISSETTE

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**.

Exempts from definition of "gift," for purposes of ethics laws, reasonable expenses paid to teacher for extracurricular educational services or trips or supervision of student teachers.

A BILL FOR AN ACT

1
2 Relating to government ethics; creating new provisions; and amending ORS 244.020.

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

4 **SECTION 1.** ORS 244.020 is amended to read:

5 244.020. As used in this chapter, unless the context requires otherwise:

6 (1) "Actual conflict of interest" means any action or any decision or recommendation by a per-
7 son acting in a capacity as a public official, the effect of which would be to the private pecuniary
8 benefit or detriment of the person or the person's relative or any business with which the person
9 or a relative of the person is associated unless the pecuniary benefit or detriment arises out of cir-
10 cumstances described in subsection (11) of this section.

11 (2) "Business" means any corporation, partnership, proprietorship, firm, enterprise, franchise,
12 association, organization, self-employed individual and any other legal entity operated for economic
13 gain but excluding any income-producing not-for-profit corporation that is tax exempt under section
14 501(c) of the Internal Revenue Code with which a public official or a relative of the public official
15 is associated only as a member or board director or in a nonremunerative capacity.

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

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

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

25 (c) Any publicly held corporation of which the person or the person's relative is a director or
26 officer; or

27 (d) For public officials required to file a statement of economic interest under ORS 244.050, any
28 business listed as a source of income as required under ORS 244.060 (3).

29 (4) "Development commission" means any entity which has the authority to purchase, develop,
30 improve or lease land or the authority to operate or direct the use of land. This authority must be

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 more than ministerial.

2 (5)(a) "Gift" means something of economic value given to a public official or a relative or
3 member of the household of the public official:

4 (A) Without valuable consideration of equivalent value, including the full or partial forgiveness
5 of indebtedness, which is not extended to others who are not public officials or the relatives or
6 members of the household of public officials on the same terms and conditions; or

7 (B) For valuable consideration less than that required from others who are not public officials.

8 (b) "Gift" does not mean:

9 (A) Contributions as defined in ORS 260.005.

10 (B) Gifts from relatives or members of the household of the public official.

11 (C) An unsolicited token or award of appreciation in the form of a plaque, trophy, desk item,
12 wall memento or similar item, with a resale value reasonably expected to be less than \$25.

13 (D) Informational material, publications or subscriptions related to the recipient's performance
14 of official duties.

15 (E) Admission provided to or the cost of food or beverage consumed by a public official, or a
16 member of the household or staff of the public official when accompanying the public official, at a
17 reception, meal or meeting held by an organization before whom the public official appears to speak
18 or to answer questions as part of a scheduled program.

19 (F) Reasonable expenses paid by any unit of the federal government, a state or local government,
20 a Native American tribe that is recognized by federal law or formally acknowledged by a state, a
21 membership organization to which a public body as defined in ORS 174.109 pays membership dues
22 or a not-for-profit corporation that is tax exempt under section 501(c)(3) of the Internal Revenue
23 Code and that receives less than five percent of its funding from for-profit organizations or entities,
24 for attendance at a convention, fact-finding mission or trip, or other meeting if the public official is
25 scheduled to deliver a speech, make a presentation, participate on a panel or represent state gov-
26 ernment as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special gov-
27 ernment body as defined in ORS 174.117.

28 (G) Contributions made to a legal expense trust fund established under ORS 244.209 for the
29 benefit of the public official.

30 (H) Reasonable food, travel or lodging expenses provided to a public official, a relative of the
31 public official accompanying the public official, a member of the household of the public official ac-
32 companying the public official or a staff member of the public official accompanying the public offi-
33 cial, when the public official is representing state government as defined in ORS 174.111, a local
34 government as defined in ORS 174.116 or a special government body as defined in ORS 174.117:

35 (i) On an officially sanctioned trade-promotion or fact-finding mission; or

36 (ii) In officially designated negotiations, or economic development activities, where receipt of the
37 expenses is approved in advance.

38 (I) Food or beverage consumed by a public official acting in an official capacity:

39 (i) In association with the review, approval, execution of documents or closing of a borrowing,
40 investment or other financial transaction, including any business agreement between state govern-
41 ment as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special govern-
42 ment body as defined in ORS 174.117 and a private entity or public body as defined in ORS 174.109;

43 (ii) While engaged in due diligence research or presentations by the office of the State Treasurer
44 related to an existing or proposed investment or borrowing; or

45 (iii) While engaged in a meeting of an advisory, governance or policy-making body of a corpo-

1 ration, partnership or other entity in which the office of the State Treasurer has invested moneys.

2 (J) Waiver or discount of registration expenses or materials provided to a public official at a
 3 continuing education event that the public official may attend to satisfy a professional licensing
 4 requirement.

5 (K) Expenses provided by one public official to another public official for travel inside this state
 6 to or from an event that bears a relationship to the receiving public official’s office and at which
 7 the official participates in an official capacity.

8 (L) Food or beverage consumed by a public official at a reception where the food or beverage
 9 is provided as an incidental part of the reception and no cost is placed on the food or beverage.

10 (M) Entertainment provided to a public official or a relative or member of the household of the
 11 public official that is incidental to the main purpose of another event.

12 (N) Entertainment provided to a public official or a relative or member of the household of the
 13 public official where the public official is acting in an official capacity while representing state
 14 government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special
 15 government body as defined in ORS 174.117 for a ceremonial purpose.

16 **(O) Reasonable expenses paid to a public school teacher:**

17 **(i) For providing extracurricular educational services, tutoring or coaching;**

18 **(ii) For accompanying students on an educational trip; or**

19 **(iii) From an institution of higher education for the supervision of student teachers who**
 20 **are enrolled in a teacher education program at the institution if the supervision is performed**
 21 **concurrently with the school teacher’s duties for a school district.**

22 (6) “Honorarium” means a payment or something of economic value given to a public official in
 23 exchange for services upon which custom or propriety prevents the setting of a price. Services in-
 24 clude, but are not limited to, speeches or other services rendered in connection with an event.

25 (7) “Income” means income of any nature derived from any source, including, but not limited to,
 26 any salary, wage, advance, payment, dividend, interest, rent, honorarium, return of capital,
 27 forgiveness of indebtedness, or anything of economic value.

28 (8) “Legislative or administrative interest” means an economic interest, distinct from that of the
 29 general public, in one or more bills, resolutions, regulations, proposals or other matters subject to
 30 the action or vote of a person acting in the capacity of a public official.

31 (9) “Member of the household” means any person who resides with the public official.

32 (10) “Planning commission” means a county planning commission created under ORS chapter 215
 33 or a city planning commission created under ORS chapter 227.

34 (11) “Potential conflict of interest” means any action or any decision or recommendation by a
 35 person acting in a capacity as a public official, the effect of which could be to the private pecuniary
 36 benefit or detriment of the person or the person’s relative, or a business with which the person or
 37 the person’s relative is associated, unless the pecuniary benefit or detriment arises out of the fol-
 38 lowing:

39 (a) An interest or membership in a particular business, industry, occupation or other class re-
 40 quired by law as a prerequisite to the holding by the person of the office or position.

41 (b) Any action in the person’s official capacity which would affect to the same degree a class
 42 consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or
 43 other group including one of which or in which the person, or the person’s relative or business with
 44 which the person or the person’s relative is associated, is a member or is engaged.

45 (c) Membership in or membership on the board of directors of a nonprofit corporation that is

1 tax-exempt under section 501(c) of the Internal Revenue Code.

2 (12) "Public office" has the meaning given that term in ORS 260.005.

3 (13) "Public official" means any person who, when an alleged violation of this chapter occurs,
4 is serving the State of Oregon or any of its political subdivisions or any other public body as defined
5 in ORS 174.109 as an elected official, appointed official, employee, agent or otherwise, irrespective
6 of whether the person is compensated for the services.

7 (14) "Relative" means:

8 (a) The spouse of the public official;

9 (b) The domestic partner of the public official;

10 (c) Any children of the public official or of the public official's spouse;

11 (d) Siblings, spouses of siblings or parents of the public official or of the public official's spouse;

12 (e) Any individual for whom the public official has a legal support obligation; or

13 (f) Any individual for whom the public official provides benefits arising from the public official's
14 public employment or from whom the public official receives benefits arising from that individual's
15 employment.

16 (15) "Statement of economic interest" means a statement as described by ORS 244.060, 244.070
17 or 244.100.

18 (16) "Zoning commission" means an entity to which is delegated at least some of the discre-
19 tionary authority of a planning commission or governing body relating to zoning and land use mat-
20 ters.

21 **SECTION 2. The amendments to ORS 244.020 by section 1 of this 2009 Act apply to ex-**
22 **penses paid for activities that occur on or after the effective date of this 2009 Act.**

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