

SB 478 B STAFF MEASURE SUMMARY**Carrier:** Rep. Power**House Committee On Judiciary****Action Date:** 05/22/19**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)**Vote:** 9-2-0-0**Yeas:** 9 - Gorsek, Greenlick, Lewis, McLane, Piluso, Power, Sprenger, Stark, Williamson**Nays:** 2 - Barker, Bynum**Fiscal:** Fiscal impact issued**Revenue:** No revenue impact**Prepared By:** Channa Newell, Counsel**Meeting Dates:** 5/20, 5/22**WHAT THE MEASURE DOES:**

Prohibits payments made in connection with a nondisclosure agreement (NDA) relating to workplace harassment from campaign contributions, political committee contributions, petition committee contributions, or public moneys. Prohibits use of moneys received from a third party to make payment in connection with an NDA relating to workplace harassment if the harassment occurred when the holder of public office or candidate was acting as an office holder or candidate. Voids NDAs made in violation of measure. Defines "payments in connection with a nondisclosure agreement" as any form of consideration provided in exchange for the silence of another. Includes money, stock, or personal property, severance pay or benefits, the promise of a positive reference or assistance in obtaining future employment in public employment, alternative work arrangements, and any termination agreement that includes a waiver of past or future claims against the public official, public body, or public employee. Allows civil penalty of up to two times the amount of the penalty provision for violating the NDA. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Reasons for nondisclosure agreements (NDA)
- Desire to limit public money and campaign contributions used to fund NDAs
- Private payment by office holder or candidate is allowed, but must be disclosed
- Significant penalty to deter conduct

EFFECT OF AMENDMENT:

Changes provisions prohibiting use of public money or third party money for payment in connection with an NDA from "public officials" to "holders of public office and candidates." Defines holder of public office.

BACKGROUND:

Oregon's campaign finance regulation laws, found in Chapter 260 of the Oregon Revised Statutes, govern the uses and prohibitions on use of campaign money. Uses and prohibitions are provided for the campaign committees of candidates or holders of public office, political committees that are not principal campaign committees, and petition committees. Contributions to campaigns may be used to pay some campaign finance violations, but may not be used to pay a money award in a civil or criminal action, or to pay a fine imposed by an agency or local government (ORS 260.407(1)(b)(B)). Likewise, contributions to a political committee or petition committee may not be used to satisfy civil or criminal money awards, or to pay legal expenses arising out of scope and duties of an individual serving on the committee, unless it relates to proceedings based on campaign finances.

Senate Bill 478 B prohibits the use of contributions to a campaign, political committee, or petition committee from being used as payment in connection with a nondisclosure agreement (NDA) related to workplace harassment. The measure also prohibits the use of any public moneys, or money received from a third party, to

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make payments in connection with an NDA related to workplace harassment. Violations are punishable by up to twice the amount that is specified in the NDA for violation of the NDA.