

Senate Bill 478

Sponsored by Senator GELSER, Representative POWER, Senator KNOPP (Presession filed.)

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**.

Prohibits campaign moneys and public moneys from being used to make payments in connection with nondisclosure agreement relating to harassment in workplace.

Prohibits public official or candidate from using moneys received from third parties to make payments in connection with nondisclosure agreement relating to harassment in workplace, if alleged harassment occurred when public official or candidate was acting as public official or candidate.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to nondisclosure agreements; creating new provisions; amending ORS 260.407; and declaring
3 an emergency.

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

5 **SECTION 1.** ORS 260.407 is amended to read:

6 260.407. (1)(a) Except as provided in paragraph (b) of this subsection, amounts received as con-
7 tributions by a candidate, the principal campaign committee of a candidate or the principal cam-
8 paign committee of a holder of public office may be:

9 (A) Used to defray any expenses incurred in connection with the recipient's duties as a holder
10 of public office;

11 (B) Transferred to any national, state or local political committee of any political party;

12 (C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
13 or to any charitable corporation as defined in ORS 128.620; or

14 (D) Used for any other lawful purpose.

15 (b) Amounts received as contributions by a candidate, the principal campaign committee of a
16 candidate for public office or the principal campaign committee of a holder of public office may not
17 be:

18 (A) Converted by any person to any personal use other than to defray any expenses incurred in
19 connection with the person's duties as a holder of public office or to repay to a candidate any loan
20 the proceeds of which were used in connection with the candidate's campaign;

21 (B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
22 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
23 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
24 butions described in this paragraph may be used to pay a civil penalty imposed under this chapter,
25 other than a civil penalty imposed for a violation of this section or ORS 260.409; [or]

26 (C) Except as provided in this subparagraph, used to pay any legal expenses incurred by the
27 candidate or public official in any civil, criminal or other legal proceeding or investigation that re-
28 lates to or arises from the course and scope of the duties of the person as a candidate or public

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 official. Contributions described in this paragraph may be used to pay legal expenses incurred by
2 the candidate or public official in connection with a legal proceeding brought under ORS chapters
3 246 to 260, other than a proceeding brought under this section or ORS 260.409[.]; **or**

4 **(D) Used to make payments in connection with a nondisclosure agreement relating to**
5 **harassment in the workplace.**

6 (2)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions
7 by a political committee that is not a principal campaign committee may be:

8 (A) Used to repay to the political committee any loan the proceeds of which were used in con-
9 nection with the campaign;

10 (B) Transferred to any national, state or local political committee of any political party;

11 (C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
12 or to any charitable corporation as defined in ORS 128.620; or

13 (D) Used for any other lawful purpose.

14 (b) Amounts received as contributions by the political committee may not be:

15 (A) Converted by any person to any personal use;

16 (B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
17 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
18 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
19 butions described in this subsection may be used to pay a civil penalty imposed under this chapter,
20 other than a civil penalty imposed for a violation of this section or ORS 260.409; [*or*]

21 (C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a
22 treasurer or director of a political committee in any civil, criminal or other legal proceeding or in-
23 vestigation that relates to or arises from the course and scope of the duties of the person as a
24 treasurer or director. Contributions described in this subsection may be used to pay legal expenses
25 incurred by a treasurer or director in connection with a legal proceeding brought under ORS
26 chapters 246 to 260, other than a proceeding brought under this section or ORS 260.409[.]; **or**

27 **(D) Used to make payments in connection with a nondisclosure agreement relating to**
28 **harassment in the workplace.**

29 (3)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions
30 by a chief petitioner or treasurer of a petition committee may be:

31 (A) Used to repay to the chief petitioner any loan the proceeds of which were used in con-
32 nection with the initiative, referendum or recall petition;

33 (B) Transferred to any national, state or local political committee of any political party;

34 (C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
35 or to any charitable corporation as defined in ORS 128.620; or

36 (D) Used for any other lawful purpose.

37 (b) Amounts received as contributions by a chief petitioner or treasurer of a petition committee
38 may not be:

39 (A) Converted by any person to any personal use;

40 (B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
41 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
42 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
43 butions described in this subsection may be used to pay a civil penalty imposed under this chapter,
44 other than a civil penalty imposed for a violation of this section or ORS 260.409; [*or*]

45 (C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a chief

1 petitioner or the treasurer of a petition committee in any civil, criminal or other legal proceeding
2 or investigation that relates to or arises from the course and scope of the duties of the person as
3 a chief petitioner or treasurer. Contributions described in this subsection may be used to pay legal
4 expenses incurred by a chief petitioner or treasurer in connection with a legal proceeding brought
5 under ORS chapters 246 to 260, other than a proceeding brought under this section or ORS
6 260.409[.]; or

7 **(D) Used to make payments in connection with a nondisclosure agreement relating to**
8 **harassment in the workplace.**

9 (4) As used in this section:

10 (a) “Contribution” and “expenditure” include a contribution or expenditure to or on behalf of
11 an initiative, referendum or recall petition.

12 (b) “Funds donated” means all funds, including but not limited to gifts, loans, advances, credits
13 or deposits of money that are donated for the purpose of supporting the activities of a holder of
14 public office. “Funds donated” does not mean funds appropriated by the Legislative Assembly or
15 another similar public appropriating body or personal funds of the office holder donated to an ac-
16 count containing only those personal funds.

17 (c) “Public office” does not include national or political party office.

18 **SECTION 2. Section 3 of this 2019 Act is added to and made a part of ORS chapter 244.**

19 **SECTION 3. A public official or candidate may not:**

20 (1) **Use public moneys to make payments in connection with a nondisclosure agreement**
21 **relating to harassment in the workplace; or**

22 (2) **Use moneys received from a third party to make payments in connection with a**
23 **nondisclosure agreement relating to harassment in the workplace, if the alleged harassment**
24 **occurred when the public official or candidate was acting as a public official or candidate.**

25 **SECTION 4. This 2019 Act being necessary for the immediate preservation of the public**
26 **peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect**
27 **on its passage.**

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