

A-Engrossed
Senate Bill 803

Ordered by the Senate April 8
Including Senate Amendments dated April 8

Sponsored by Senator HANSELL, Representative BARRETO

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.

Requires Secretary of State to establish rules authorizing licensed use of state seal on goods, wares and merchandise.

Authorizes secretary to collect licensing and royalty fees.

A BILL FOR AN ACT

1
2 Relating to use of the state seal; amending ORS 186.023 and 186.025.

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

4 **SECTION 1.** ORS 186.023 is amended to read:

5 186.023. (1) Except as authorized by the Secretary of State, *[no person shall]* **a person may not**
6 knowingly use *[any]* **a** device, or possess *[any]* **a** device capable of such use, to emboss upon a doc-
7 ument the seal of the State of Oregon described in ORS 186.020.

8 (2) *[No person shall]* **A person may not knowingly** use *[any]* **a** reproduction of the seal of the
9 State of Oregon:

10 (a) In *[any]* **a** manner falsely implying official indorsement or sponsorship by the State of Oregon
11 or any of its agencies of *[any]* **a** product, business, service or other activity; *[or]*

12 (b) In *[any]* **a** manner that subjects or exposes the seal of the State of Oregon to ridicule, de-
13 basement or infamy[.]; **or**

14 (c) **Unless authorized by the Secretary of State, on goods, wares or merchandise intended**
15 **for sale.**

16 (3) **The Secretary of State may authorize a person's licensed use of a reproduction of the**
17 **seal of the State of Oregon on goods, wares and merchandise intended for sale. The Secretary**
18 **of State shall adopt rules to administer this section. A license issued under this section shall**
19 **authorize a person to use a reproduction of the seal of the State of Oregon on a specified**
20 **quantity of goods, wares and merchandise. Licenses shall be valid for five years and may be**
21 **renewed. The Secretary of State by rule may establish and collect a licensing fee in an**
22 **amount sufficient to cover the costs of administering this section but the licensing fee may**
23 **not exceed \$_____.** The Secretary of State by rule may establish, in addition to any li-
24 **censing fee, a royalty fee not to exceed _____ percent of annual gross receipts of sold**
25 **goods, wares and merchandise subject to a license issued under this section. All moneys from**
26 **royalty fees received by the Secretary of State under this section shall be paid into the**
27 **General Fund and be expended for any purpose for which General Fund moneys may be ex-**
28 **pended.**

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 **SECTION 2.** ORS 186.025 is amended to read:

2 186.025. (1) In addition to any other liability or penalty provided by law, the Secretary of State
3 may do one or *[both]* **more** of the following:

4 (a) Petition the circuit court to enjoin **a** violation of ORS 186.023; *[or]*

5 (b) Pursuant to a hearing, issue an order imposing a civil penalty upon a person for *[any]* **a** vi-
6 olation of ORS 186.023~~].~~; **or**

7 **(c) Suspend or revoke a person's license to use a reproduction of the seal of the State**
8 **of Oregon on goods, wares and merchandise intended for sale for a violation of ORS 186.023**
9 **or for failure to comply with rules adopted under ORS 186.023 (3).**

10 (2) A civil penalty may only be imposed under this section pursuant to ORS 183.745.

11 (3) The Secretary of State may assess a civil penalty under this section not exceeding \$500. The
12 Secretary of State may remit or reduce *[any]* **a** penalty imposed under this section upon such terms
13 and conditions as the Secretary of State considers proper and consistent with the protection of the
14 integrity of the seal of the State of Oregon. In imposing *[any]* **a** penalty under this section, the
15 Secretary of State shall consider the following factors:

16 (a) Prior violations, if any, of the person under ORS 186.023;

17 (b) The economic and financial conditions of the person; and

18 (c) Whether and to what extent the seal or reproduction thereof was used or possessed for de-
19 ceptive or fraudulent purposes.

20 (4) In any judicial review of civil penalties imposed under this section, the court, in its dis-
21 cretion, may reduce the penalty.

22 (5) All penalties recovered under this section shall be paid into the State Treasury and credited
23 to the General Fund and are available for general governmental expenses.

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