SB 478-6 (LC 1296) 4/8/19 (DRG/ps)

Requested by Senator TAYLOR

PROPOSED AMENDMENTS TO SENATE BILL 478

1 On page 1 of the printed bill, line 2, delete "260.407" and insert "244.350, 2 260.407 and 260.995".

On page 2, delete line 5 and insert "workplace harassment. A nondisclosure agreement made in violation of this subparagraph is void and may not be enforced by a court of this state.".

6 Delete line 28 and insert "workplace harassment. A nondisclosure agree-7 ment made in violation of this subparagraph is void and may not be enforced 8 by a court of this state.".

9 On page 3, delete line 8 and insert "workplace harassment. A 10 nondisclosure agreement made in violation of this subparagraph is void and 11 may not be enforced by a court of this state.".

12 After line 17, insert:

"(d) 'Workplace harassment' means conduct that constitutes discrimi nation prohibited by ORS 659A.030, including conduct that constitutes sexual
 assault as defined in ORS 181A.323.".

16 Delete lines 19 through 24 and insert:

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"<u>SECTION 3.</u> (1) A public official or candidate may not:

"(a) Use public moneys to make payments in connection with a
 nondisclosure agreement relating to workplace harassment; or

20 "(b) Use moneys received from a third party to make payments in 21 connection with a nondisclosure agreement relating to workplace harassment if the alleged harassment occurred when the public official
or candidate was acting as a public official or candidate.

"(2) A nondisclosure agreement made in violation of this section is
void and may not be enforced by a court of this state.

5 **"(3) As used in this section:**

6 "(a) 'Payments in connection with a nondisclosure agreement' in-7 cludes any form of consideration provided in exchange for the silence 8 of an individual on issues relating to workplace harassment, including 9 but not limited to:

10 **"(A) Money;**

11 "(B) Stock, personal property or other items with a resale value;

"(C) Severance pay or benefits for an individual who resigned or
 was fired from a place of employment without cause;

"(D) The promise of a positive reference or assistance in obtaining
 future employment in a position in which the individual's salary is
 paid for with public moneys;

"(E) The promise of a bonus payment of moneys in addition to the
 individual's salary;

"(F) Alternative work arrangements that have the effect of reduc ing the amount of work required to be performed by the individual,
 or of removing the individual from the workplace; or

"(G) Any agreement that terminates the employment of the individual and includes a waiver of past or future claims against the public
official, the public body or any public employee.

"(b) 'Workplace harassment' means conduct that constitutes discrimination prohibited by ORS 659A.030, including conduct that constitutes sexual assault as defined in ORS 181A.323.

"(4) This section does not prevent a public official from using public
 moneys to make payments in connection with the receipt of a legally
 required confidential or privileged report of discrimination, sexual as-

1 sault or harassment, including workplace harassment.

<u>SECTION 4.</u> Section 5 of this 2019 Act is added to and made a part
 of ORS chapter 260.

"<u>SECTION 5.</u> (1) In addition to the requirements set forth in ORS
260.407, a political committee or petition committee may not provide
any form of consideration in connection with a nondisclosure agreement relating to workplace harassment.

8 "(2) As used in this section:

9 "(a) 'Consideration in connection with a nondisclosure agreement' 10 includes any form of consideration provided in exchange for the si-11 lence of an individual on issues relating to workplace harassment, in-12 cluding but not limited to:

13 **"(A) Money;**

14 "(B) Stock, personal property or other items with a resale value;

"(C) Severance pay or benefits for an individual who resigned or
 was fired from a place of employment without cause;

"(D) The promise of a positive reference or assistance in obtaining
future employment in a position in which the individual's salary is
paid for with public moneys;

"(E) The promise of a bonus payment of moneys in addition to the
 individual's salary;

"(F) Alternative work arrangements that have the effect of reducing the amount of work required to be performed by the individual,
or of removing the individual from the workplace; or

"(G) Any agreement that terminates the employment of the individual and includes a waiver of past or future claims against the public
official, the public body or any public employee.

"(b) 'Workplace harassment' means conduct that constitutes dis crimination prohibited by ORS 659A.030, including conduct that con stitutes sexual assault as defined in ORS 181A.323.

1 **"SECTION 6.** ORS 260.995 is amended to read:

"260.995. (1) Except as provided in subsection (2) of this section, following an investigation under ORS 260.345, the Secretary of State or Attorney General may impose a civil penalty not to exceed \$1,000 for each violation of any provision of Oregon Revised Statutes relating to the conduct of any election, any rule adopted by the secretary under ORS chapters 246 to 260 or any other matter preliminary to or relating to an election, for which a civil penalty is not otherwise provided.

9 "(2) The secretary or the Attorney General may impose a civil penalty 10 not to exceed:

"(a)(A) Except as provided in subparagraph (B) of this paragraph,
 \$1,000 plus the amount converted to personal use for each violation of ORS
 260.407;

"(B) Two times the amount of the penalty provision for violating a
 nondisclosure agreement that is contained within each nondisclosure
 agreement entered into in violation of ORS 260.407 or section 5 of this
 2019 Act; or

"(b) \$10,000 for each violation of ORS 260.555, 260.558, 260.575, 260.695 (1)
or 260.715 (1) or section 1b, Article IV of the Oregon Constitution.

"(3) Except as otherwise provided by this section, civil penalties under
this section shall be imposed as provided in ORS 183.745. In addition to the
requirements of ORS 183.745, the notice shall include:

"(a) A statement of the authority and jurisdiction under which the hearing is to be held; and

²⁵ "(b) If the person is an agency, corporation or an unincorporated associ-²⁶ ation, a statement that such person must be represented by an attorney li-²⁷ censed in Oregon, unless the person is a political committee which may be ²⁸ represented by any officer identified in the most recent statement of organ-²⁹ ization filed with the filing officer.

³⁰ "(4) A hearing on whether to impose a civil penalty and to consider cir-

cumstances in mitigation shall be held by the secretary or Attorney General:
"(a) Upon request of the person against whom the penalty may be assessed, if the request is made not later than the 20th day after the date the

4 person received notice sent under subsection (3) of this section; or

"(b) Upon the secretary's or Attorney General's own motion.

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6 "(5) The person against whom a penalty may be assessed need not appear 7 in person at a hearing held under this section, but instead may submit 8 written testimony or other evidence, sworn to before a notary public, to the 9 secretary or Attorney General for entry in the hearing record. The testimony 10 or other evidence must be received by the secretary or Attorney General not 11 later than three business days before the day of the hearing.

"(6) All hearings under this section shall be held not later than 45 days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection (4) of this section shall be held not later than 60 days after the deadline for the person against whom the penalty may be assessed to request a hearing.

"(7) The secretary or Attorney General shall issue an order not later than
90 days after a hearing or after the deadline for requesting a hearing if no
hearing is held.

"(8) All penalties recovered under this section shall be paid into the State
Treasury and credited to the General Fund.

"(9) In the case of a civil penalty imposed under this section for a violation of ORS 260.407, the person against whom the penalty is assessed:

²⁵ "(a) Is personally responsible for the payment of the civil penalty;

²⁶ "(b) Shall pay the civil penalty from personal funds of the person; and

"(c) May not pay the civil penalty from contributions received by a candidate, a candidate's principal campaign committee, a political committee or
a petition committee.

30 "SECTION 7. ORS 244.350 is amended to read:

"244.350. (1) The Oregon Government Ethics Commission may impose civil
penalties not to exceed:

"(a) Except as provided in paragraphs (b), (c) and (d) [and (c)] of this subsection, \$5,000 for violation of any provision of this chapter or any resolution adopted under ORS 244.160.

6 "(b) \$25,000 for violation of ORS 244.045.

7 "(c) \$10,000 for willfully violating ORS 244.040.

"(d) Two times the amount of the penalty provision for violating a
 nondisclosure agreement that is contained within each nondisclosure
 agreement entered into in violation of section 3 of this 2019 Act.

"(2)(a) Except as provided in paragraph (b) of this subsection, the commission may impose civil penalties not to exceed \$1,000 for violation of any provision of ORS 192.660.

"(b) A civil penalty may not be imposed under this subsection if the violation occurred as a result of the governing body of the public body acting
upon the advice of the public body's counsel.

"(3) The commission may impose civil penalties not to exceed \$250 for violation of ORS 293.708. A civil penalty imposed under this subsection is in addition to and not in lieu of a civil penalty that may be imposed under subsection (1) of this section.

"(4)(a) The commission may impose civil penalties on a person who fails to file the statement required under ORS 244.050 or 244.217. In enforcing this subsection, the commission is not required to follow the procedures in ORS 244.260 before finding that a violation of ORS 244.050 or 244.217 has occurred. "(b) Failure to file the required statement in timely fashion is prime fasio

"(b) Failure to file the required statement in timely fashion is prima facie
evidence of a violation of ORS 244.050 or 244.217.

"(c) The commission may impose a civil penalty of \$10 for each of the first 14 days the statement is late beyond the date set by law, or by the commission under ORS 244.050, and \$50 for each day thereafter. The maximum penalty that may be imposed under this subsection is \$5,000. "(5) In lieu of or in conjunction with finding a violation of law or any resolution or imposing a civil penalty under this section, the commission may issue a written letter of reprimand, explanation or education.".

4 In line 25, delete "4" and insert "8".

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