



Open Government Impact Statement

82nd Oregon Legislative Assembly
2023 Regular Session

Measure: HB 2274 - B

Only impacts on Original or Engrossed
Versions are Considered Official

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SUMMARY

Permits Director of Department of Consumer and Business Services to make any proper inquiry of person or matter connected with offering, purchasing or selling any security or conducting securities business and requires person to reply promptly and truthfully to inquiry. Provides confidentiality for and prohibits disclosure of certain materials that Director of Department of Consumer and Business Services gathers, compiles or creates as part of examination or investigation of person in connection with offer, purchase or sale of security or conduct of securities business and specifies exemptions from prohibition on disclosure. Permits examination of officer of department concerning records that are exempt from disclosure under specified circumstances. Permits director to use confidential materials or information to extent director considers necessary in action, suit or proceeding to investigate or prosecute apparent violations of Oregon Securities Law.

Imposes penalty of not more than \$60,000 for violation of Oregon Securities Law and maximum of \$300,000 for continuing violation. Permits director to order restitution.

Takes effect on 91st day following adjournment sine die.

OPEN GOVERNMENT IMPACT

Legislative Counsel has not adopted standards for drafting measures that establish exemptions from disclosure of public records.

This measure limits the public disclosure of the following information related to reports of securities violations and examinations of suspected securities violations:

- a) Tips, complaints, referrals and any records of the tips, complaints and referrals regarding a securities violation;
- b) Records related to examinations conducted by the Director of the Department of Consumer and Business Services, including any documents, material and other information the director gathers, compiles or creates in connection with the examination, except for any final report of the examination; and
- c) Records related to any investigation or inquiry the director makes, including any documents, material or other information the director gathers, compiles or creates in connection with the investigation or inquiry during the pendency of the investigation or inquiry or any related action, suit or proceeding to enforce a provision of the Oregon Securities Law or a rule or order of the director.

If the public records were instead subject to mandatory disclosure under public records law, the public might be able to receive information regarding individuals reporting securities violations, information regarding securities examinations, other than the final examination report, and



information regarding securities investigations, inquiries and related actions, suits or proceedings to enforce securities laws prior to the conclusion of all related enforcement actions.