

Ethics for Public Officials

*District Training Week
February 2021*



**OREGON
DEPARTMENT OF
AGRICULTURE**

Who is responsible?

- Restrictions on public officials & relatives
- Personal responsibility & judgment
- Not responsibility of governing body or employer

Who is covered?

- All “public officials” are subject to ORS Chapter 244 Code of Ethics
- “Relatives”, “members of the household” and “businesses with which you are associated” are also subject to the Code of Ethics.

Who is a relative?

- Spouse
- “First Partner”
- Your children or spouse’s children
- Siblings ~~and spouses of siblings~~
- Your parents and spouse’s parents
- Any person for whom you have a legal support obligation
- Person benefitting from a public official when benefits come from employment
- Person who provides benefits to public official when benefits come from employment



What is an associated business?

- When during preceding calendar year, a public official or relative has held a position as a director, officer, owner, employee or agent of a **private business or a closely held corporation** in which the public official or relative held or currently holds stock, stock options, equity interest or a debt instrument over \$1000.

What is an associated business?

- When during the proceeding calendar year, the public official/relative has owned or currently owns stock, equity interest, stock options or debt instruments of \$100,000 or more in a **publicly held corporation**;
- When the public official/relative is a director or officer of a publicly held corporation; or
- When the public official is required by ORS 244.050 to file an Annual Verified Statement of Economic Interest from and the business is listed as a source of household income.



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Prohibited Use of Position

- ORS 244.040(1) provides that “a public official may not use or attempt to use official position or office to obtain financial gain or avoidance of financial detriment for the public official, a relative or member of the household of the public official, or any business with which the public official or relative or member of the household of the public official is associated, if the financial gain or avoidance of financial detriment would not otherwise be available but for the public official’s holding of the official position or office.”



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Exceptions

- Official compensation package;
- “Honorarium” up to \$50;
- Reimbursement of expenses;
- Unsolicited award for professional achievement;
- “Gifts” from sources that have an “administrative or legislative interest” up to \$50 per calendar year;
- “Gifts” from sources with no legislative or administrative interest, in an unlimited amount;
- “Gifts” that fall within ORS 244.020(6) gift exception; and
- Contributions to a legal defense trust fund.



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Additional Prohibitions

- Public officials may not solicit or receive promise of future employment based on decisions made or actions taken/not taken.
- Public officials may not use confidential information obtained for personal gain.
- If the public official has an “actual” or “potential conflict of interest”

Conflict of Interest

- Public employees must notify appointing official in writing of conflict.
- Board members:
 - For potential conflict of interest, must announce publically the nature of the potential conflict prior to taking any action.
 - For an actual conflict of interest must announce publically the nature of the conflict and refrain from participation in any discussion, debate or vote on the issue.

Actual Conflict of Interest

- “Actual conflict of interest” means “any action or decision or recommendation by a person acting in a capacity of a public official, the effect of which would be to the private pecuniary benefit or detriment of the person or person’s relative or any business with which the person or relative of the person is associated.”

Actual Conflict of Interest

- Examples of actual conflicts of interest
 - Voting on issuing a contract for services provided by a company owned by a relative.
 - Voting on possible discipline or a raise for a relative.
 - Purchasing supplies from a local business you have invested in.

Potential Conflict of Interest

- “Potential conflict of interest” means “any action or decision or recommendation by a person acting in a capacity as a public official, the effect of which could be to the private pecuniary benefit or detriment of the person or the person’s relative, or a business with which the person or the person’s relative is associated.”

Potential Conflict of Interest

- Example of Potential Conflict of Interest
 - Discussing and/or voting to solicit bids for a project that your relative or business you work for may bid on.

Exceptions to Conflict of Interest

- Conflict of interest exceptions:
 - An interest/membership in a particular business, industry or occupation required by law as a prerequisite to holding position;
 - Any action or issue that would affect to the same degree others in the same class; or
 - Membership in/member of board of directors of a 501(c) nonprofit

Exceptions to Conflict of Interest

- “If any public official’s vote is necessary to meet a requirement of a minimum number of votes to take official action, [they are] eligible to vote, but not to participate as a public official in any discussion or debate on the issue out of which an actual conflict arises.”



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Questions?

- Oregon Government Ethics Law: A Guide for Public Officials
- Call the Oregon Government Ethics Commission
 - 503-378-5105
 - Not billed for services (you pay an annual assessment already).

Questions?

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