

D R A F T

SUMMARY

Expands exemption from statutory gift limit to include admission provided to, or cost of food or beverage consumed by, relative of public official who accompanies public official at reception, meal or meeting.

A BILL FOR AN ACT

1
2 Relating to statutory gift limit exemption; creating new provisions; and
3 amending ORS 244.020.

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

5 **SECTION 1.** ORS 244.020 is amended to read:

6 244.020. As used in this chapter, unless the context requires otherwise:

7 (1) "Actual conflict of interest" means any action or any decision or rec-
8 ommendation by a person acting in a capacity as a public official, the effect
9 of which would be to the private pecuniary benefit or detriment of the person
10 or the person's relative or any business with which the person or a relative
11 of the person is associated unless the pecuniary benefit or detriment arises
12 out of circumstances described in subsection (12) of this section.

13 (2) "Business" means any corporation, partnership, proprietorship, firm,
14 enterprise, franchise, association, organization, self-employed individual and
15 any other legal entity operated for economic gain but excluding any
16 income-producing not-for-profit corporation that is tax exempt under section
17 501(c) of the Internal Revenue Code with which a public official or a relative
18 of the public official is associated only as a member or board director or in
19 a nonremunerative capacity.

20 (3) "Business with which the person is associated" means:

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 (a) Any private business or closely held corporation of which the person
2 or the person's relative is a director, officer, owner or employee, or agent
3 or any private business or closely held corporation in which the person or
4 the person's relative owns or has owned stock, another form of equity in-
5 terest, stock options or debt instruments worth \$1,000 or more at any point
6 in the preceding calendar year;

7 (b) Any publicly held corporation in which the person or the person's
8 relative owns or has owned \$100,000 or more in stock or another form of
9 equity interest, stock options or debt instruments at any point in the pre-
10 ceding calendar year;

11 (c) Any publicly held corporation of which the person or the person's
12 relative is a director or officer; or

13 (d) For public officials required to file a statement of economic interest
14 under ORS 244.050, any business listed as a source of income as required
15 under ORS 244.060 (3).

16 (4) "Candidate" means an individual for whom a declaration of candidacy,
17 nominating petition or certificate of nomination to public office has been
18 filed or whose name is printed on a ballot or is expected to be or has been
19 presented, with the individual's consent, for nomination or election to public
20 office.

21 (5) "Development commission" means any entity that has the authority
22 to purchase, develop, improve or lease land or the authority to operate or
23 direct the use of land. This authority must be more than ministerial.

24 (6)(a) "Gift" means something of economic value given to a public official,
25 a candidate or a relative or member of the household of the public official
26 or candidate:

27 (A) Without valuable consideration of equivalent value, including the full
28 or partial forgiveness of indebtedness, which is not extended to others who
29 are not public officials or candidates or the relatives or members of the
30 household of public officials or candidates on the same terms and conditions;
31 or

1 (B) For valuable consideration less than that required from others who
2 are not public officials or candidates.

3 (b) "Gift" does not mean:

4 (A) Contributions as defined in ORS 260.005.

5 (B) Gifts from relatives or members of the household of the public official
6 or candidate.

7 (C) An unsolicited token or award of appreciation in the form of a plaque,
8 trophy, desk item, wall memento or similar item, with a resale value rea-
9 sonably expected to be less than \$25.

10 (D) Informational or program material, publications or subscriptions re-
11 lated to the recipient's performance of official duties.

12 (E) Admission provided to or the cost of food or beverage consumed by
13 a public official, **a relative of the public official accompanying the**
14 **public official**, [*or*] a member of the household of **the public official ac-**
15 **companying the public official** or a staff member of the public official
16 [*when*] accompanying the public official, at a reception, meal or meeting held
17 by an organization when the public official represents state government as
18 defined in ORS 174.111, a local government as defined in ORS 174.116 or a
19 special government body as defined in ORS 174.117.

20 (F) Reasonable expenses paid by any unit of the federal government, a
21 state or local government, a Native American tribe that is recognized by
22 federal law or formally acknowledged by a state, a membership organization
23 to which a public body as defined in ORS 174.109 pays membership dues or
24 a not-for-profit corporation that is tax exempt under section 501(c)(3) of the
25 Internal Revenue Code, for attendance at a convention, fact-finding mission
26 or trip, conference or other meeting if the public official is scheduled to de-
27 liver a speech, make a presentation, participate on a panel or represent state
28 government as defined in ORS 174.111, a local government as defined in ORS
29 174.116 or a special government body as defined in ORS 174.117.

30 (G) Contributions made to a legal expense trust fund established under
31 ORS 244.209 for the benefit of the public official.

1 (H) Reasonable food, travel or lodging expenses provided to a public of-
2 ficial, a relative of the public official accompanying the public official, a
3 member of the household of the public official accompanying the public of-
4 ficial or a staff member of the public official accompanying the public offi-
5 cial, when the public official is representing state government as defined in
6 ORS 174.111, a local government as defined in ORS 174.116 or a special gov-
7 ernment body as defined in ORS 174.117:

8 (i) On an officially sanctioned trade-promotion or fact-finding mission; or

9 (ii) In officially designated negotiations, or economic development activ-
10 ities, where receipt of the expenses is approved in advance.

11 (I) Food or beverage consumed by a public official acting in an official
12 capacity:

13 (i) In association with the review, approval, execution of documents or
14 closing of a borrowing, investment or other financial transaction, including
15 any business agreement between state government as defined in ORS 174.111,
16 a local government as defined in ORS 174.116 or a special government body
17 as defined in ORS 174.117 and a private entity or public body as defined in
18 ORS 174.109;

19 (ii) While engaged in due diligence research or presentations by the office
20 of the State Treasurer related to an existing or proposed investment or bor-
21 rowing; or

22 (iii) While engaged in a meeting of an advisory, governance or policy-
23 making body of a corporation, partnership or other entity in which the office
24 of the State Treasurer has invested moneys.

25 (J) Waiver or discount of registration expenses or materials provided to
26 a public official or candidate at a continuing education event that the public
27 official or candidate may attend to satisfy a professional licensing require-
28 ment.

29 (K) Expenses provided by one public official to another public official for
30 travel inside this state to or from an event that bears a relationship to the
31 receiving public official's office and at which the official participates in an

1 official capacity.

2 (L) Food or beverage consumed by a public official or candidate at a re-
3 ception where the food or beverage is provided as an incidental part of the
4 reception and no cost is placed on the food or beverage.

5 (M) Entertainment provided to a public official or candidate or a relative
6 or member of the household of the public official or candidate that is inci-
7 dental to the main purpose of another event.

8 (N) Entertainment provided to a public official or a relative or member
9 of the household of the public official where the public official is acting in
10 an official capacity while representing state government as defined in ORS
11 174.111, a local government as defined in ORS 174.116 or a special govern-
12 ment body as defined in ORS 174.117 for a ceremonial purpose.

13 (O) Anything of economic value offered to or solicited or received by a
14 public official or candidate, or a relative or member of the household of the
15 public official or candidate:

16 (i) As part of the usual and customary practice of the person's private
17 business, or the person's employment or position as a volunteer with a pri-
18 vate business, corporation, partnership, proprietorship, firm, enterprise,
19 franchise, association, organization, not-for-profit corporation or other legal
20 entity operated for economic value; and

21 (ii) That bears no relationship to the public official's or candidate's
22 holding of, or candidacy for, the official position or public office.

23 (P) Reasonable expenses paid to a public school employee for accompa-
24 nying students on an educational trip.

25 (7) "Honorarium" means a payment or something of economic value given
26 to a public official in exchange for services upon which custom or propriety
27 prevents the setting of a price. Services include, but are not limited to,
28 speeches or other services rendered in connection with an event.

29 (8) "Income" means income of any nature derived from any source, in-
30 cluding, but not limited to, any salary, wage, advance, payment, dividend,
31 interest, rent, honorarium, return of capital, forgiveness of indebtedness, or

1 anything of economic value.

2 (9) "Legislative or administrative interest" means an economic interest,
3 distinct from that of the general public, in:

4 (a) Any matter subject to the decision or vote of the public official acting
5 in the public official's capacity as a public official; or

6 (b) Any matter that would be subject to the decision or vote of the can-
7 didate who, if elected, would be acting in the capacity of a public official.

8 (10) "Member of the household" means any person who resides with the
9 public official or candidate.

10 (11) "Planning commission" means a county planning commission created
11 under ORS chapter 215 or a city planning commission created under ORS
12 chapter 227.

13 (12) "Potential conflict of interest" means any action or any decision or
14 recommendation by a person acting in a capacity as a public official, the
15 effect of which could be to the private pecuniary benefit or detriment of the
16 person or the person's relative, or a business with which the person or the
17 person's relative is associated, unless the pecuniary benefit or detriment
18 arises out of the following:

19 (a) An interest or membership in a particular business, industry, occupa-
20 tion or other class required by law as a prerequisite to the holding by the
21 person of the office or position.

22 (b) Any action in the person's official capacity which would affect to the
23 same degree a class consisting of all inhabitants of the state, or a smaller
24 class consisting of an industry, occupation or other group including one of
25 which or in which the person, or the person's relative or business with which
26 the person or the person's relative is associated, is a member or is engaged.

27 (c) Membership in or membership on the board of directors of a nonprofit
28 corporation that is tax-exempt under section 501(c) of the Internal Revenue
29 Code.

30 (13) "Public office" has the meaning given that term in ORS 260.005.

31 (14) "Public official" means any person who, when an alleged violation

1 of this chapter occurs, is serving the State of Oregon or any of its political
2 subdivisions or any other public body as defined in ORS 174.109 as an elected
3 official, appointed official, employee or agent, irrespective of whether the
4 person is compensated for the services.

5 (15) "Relative" means:

6 (a) The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law
7 or daughter-in-law of the public official or candidate;

8 (b) The parent, stepparent, child, sibling, stepsibling, son-in-law or
9 daughter-in-law of the spouse of the public official or candidate;

10 (c) Any individual for whom the public official or candidate has a legal
11 support obligation;

12 (d) Any individual for whom the public official provides benefits arising
13 from the public official's public employment or from whom the public official
14 receives benefits arising from that individual's employment; or

15 (e) Any individual from whom the candidate receives benefits arising from
16 that individual's employment.

17 (16) "Statement of economic interest" means a statement as described by
18 ORS 244.060 or 244.070.

19 (17) "Zoning commission" means an entity to which is delegated at least
20 some of the discretionary authority of a planning commission or governing
21 body relating to zoning and land use matters.

22 **SECTION 2. The amendments to ORS 244.020 by section 1 of this**
23 **2015 Act apply to gifts given on or after the effective date of this 2015**
24 **Act.**

25

Title: Relating to statutory gift limit exemption.

Type: Member Committee Statewide Elected Official

Chief Sponsor(s)/Committee Chair/Other Filer: For Member measures only, list other Chief Sponsors here:

1. _____ Signature (First Chief Sponsor/Committee Chair/ Statewide Elected Official)
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3. _____ Signature (Third Chief Sponsor)
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Requester(s): _____ (Attach list of other Chief Sponsors, if more than three.)

All agencies, organizations and persons that have formally requested the measure are named herein in accordance with ORS 171.127.

Additional Sponsors (initial)

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