

GOVERNMENT ETHICS OVERVIEW

- How do I handle CONFLICTS OF INTEREST?
- What is a PROHIBITED USE of my position?
- What are the LIMITS on private EMPLOYMENT?
- What are the limits on GIFTS I can accept?

Regulating, Limiting, Prohibiting Certain Financial Benefits...

To the **Public Official,**

Relatives,

**Household
Members,**

**& Business
Associations.**

Who is a “Public Official”?

Any person who is **serving the State of Oregon** or any of its political subdivisions or any other public body, as an elected official, appointed official, employee, agent or otherwise, **irrespective of whether the person is compensated** for the service.



(ORS 244.020(15))

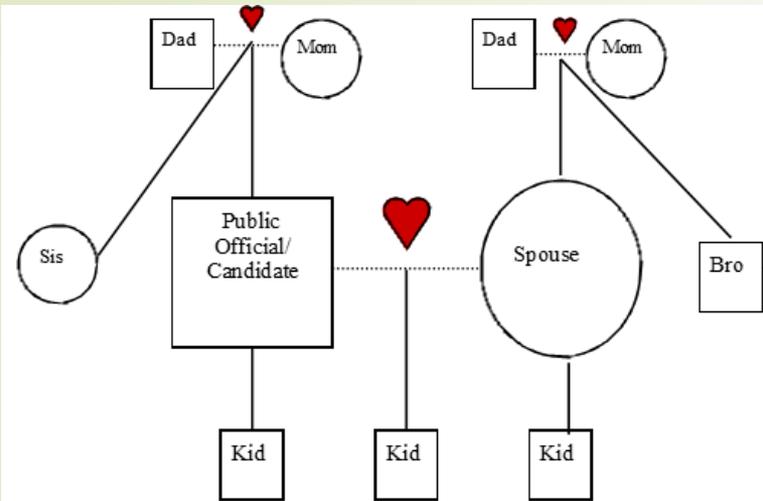
Who is a “Member of the Household”?

Any person who resides with the public official.

(ORS 244.020(11))



Who is a “Relative”?



- A public official's:
 - Spouse
 - Child, son or daughter-in-law
 - Parent, including stepparent
 - Sibling, including stepsibling
- Same members of the public official's spouse's family.

- Anyone for whom the public official has a legal support obligation.
- Anyone receiving benefits of the public official's public employment.
- Anyone from whom the public official receives a benefit of employment.

(ORS 244.020(16))

What is a “Business”?

Any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other **legal entity operated for economic gain**.

NOT:

- A **Public Body**.
- Tax-exempt 501(c) **non-profit** (*if* associated only as a **member, board director, or other unpaid position**).

(ORS 244.020(2))

A Business Association?

Private Business / Closely Held Corp:

- Director, officer, owner, employee, or agent;

OR

- Owned \$1000+ in stock, equity interest, stock options, or debt interest during the preceding calendar year.

Publicly Held Corporation:

- Officer or director;
- OR**
- Owned \$100,000+ in stock, equity interest, stock options, or debt interest during the preceding calendar year.

(ORS 244.020(3))



CONFLICTS OF INTEREST

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Two types, ACTUAL & POTENTIAL:

- Making any action, decision or recommendation,
- While acting in a capacity as a public official,
- That would or could result in a private financial benefit or detriment to yourself, your relative(s) or any business with which any is associated.

(ORS 244.020(1) & (13))

* Actual = financial effect would occur with certainty.

* Potential = financial effect is uncertain.



What Do I Do if I Have a Conflict Of Interest?



HOW TO HANDLE CONFLICTS FOR BOARD MEMBERS (ORS 244.120(2))

Publicly announce the conflict (when a matter requiring your to act, decide or recommend arises).

- AND if it's an **ACTUAL CONFLICT**—**Refrain from participating** as a public official (after making the public announcement).

* **UNLESS** *participation is necessary to meet a quorum needed for the body to take official action—you may still vote, but must refrain from any other participation.*



HOW TO HANDLE CONFLICTS FOR STAFF(ORS 244.120(1)(c))

- Provide **written notice** to the person who appointed or employed you.
- Notice must:
 - **describe the nature** of the conflict, AND
 - **ask how to proceed.**
- **WAIT** for a response.



CONFLICTS OF INTEREST

Notice Requirements (cont'd...)

Employer must:

- Assign someone else to the task,
OR
- Instruct the employee on how to proceed with the matter.

AND

- Record the notice in the official records of the public body.



CONFLICTS OF INTEREST

Exceptions

1. Interest or **membership** in a business, industry, occupation or other class **required by law as a prerequisite to holding the office or position**.
2. If the action would **affect to the same degree a class** of persons.
 - ▶ Could include: all inhabitants of the state, or an industry, occupation or other identifiable group.
3. Membership in a 501 (c) **non-profit** or on its board of directors.

(ORS 244.020(13)(a)-(c))





PROHIBITED FINANCIAL GAINS

PROHIBITED USE OF OFFICE

Public official **may not use** or attempt use **position** or office **to obtain financial gain** or avoid a financial detriment for:

- Themselves, relatives, household members, or any business with which any are associated, **IF:**
- the financial gain or avoidance of detriment **would not be available but for the public official's holding the position** or office.



(ORS 244.040)

PROHIBITED USE OF OFFICE

Exceptions

1. Accepting any part of the public official's **official compensation package** (OAR 199-005-0035(3))
2. Receipt of **honoraria** or other items under ORS 244.042 (*limit \$50 max*)
3. **Reimbursements** (OAR 199-005-0035(4))
4. **Unsolicited awards** for professional achievement
5. **Gifts** not violating Oregon Government Ethics law
6. **Legal expense trust fund** contributions (*governed by ORS 244.205 – 221*)

USE OF OFFICE & PRIVATE INCOME

In general, public officials may obtain employment with a private employer or engage in private income-producing activity of their own. However, they:

- **Must not** use the position held as a public official to **create the opportunity for additional personal income**.
- **Must ensure** a clear **distinction between** use of **personal resources** and time for personal income-producing activity, **and** use of the **public body's time and resources**.

GUIDELINES TO PRIVATE EMPLOYMENT

- Use no governmental body time
- Use no governmental body resource
- Take no official action that could financially impact your private enterprise
- Use no confidential information obtained as a public official (ORS 244.040(4) & (5))
- Disclose all conflicts of interest





GIFT LIMITS

GIFTS

\$50 Limit

During a single calendar year...

A public official, relative, or household member...

May not receive any gift(s) worth over \$50...

From any source reasonably known to have an **economic interest** in the public official's decision-making.

(ORS 244.025; see ORS 244.020(10))



A GIFT IS: something of economic value not offered to others who aren't public officials (relatives or household members) on the same terms and conditions (ORS 244.020(7)(a))

But an offer is **NOT A GIFT** if it fails to meet the above definition OR if it is offered by the public entity the public official represents.

* However, Prohibited Use of Office (ORS 244.040) may apply

SOURCE OF GIFT...

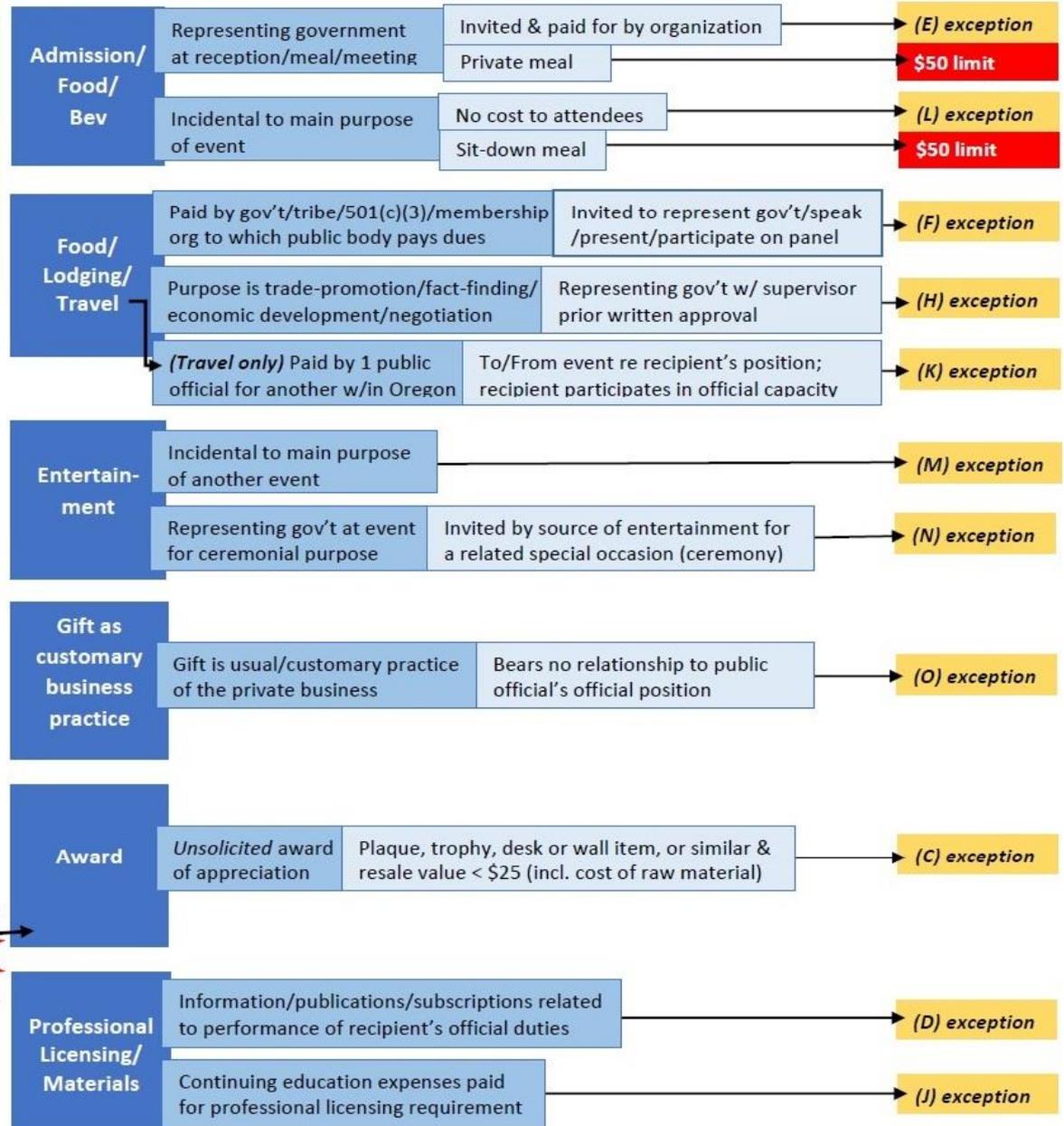
Has **NO ECONOMIC INTEREST** in matters subject to public official's official decision-making

\$50 GIFT LIMIT DOES NOT APPLY

HAS ECONOMIC INTEREST in matters subject to public official's official decision-making

\$50 LIMIT IF NO EXCEPTION APPLIES

EXCEPTIONS TO THE GIFT LIMIT (ORS 244.020(7)(b)(A)-(O))*



IS IT EVEN A “GIFT”?

- Something of economic value...
- Offered to a public official, relative, or household member...
- Without payment or for discount value...
- That is ***not offered to others on the same terms and conditions.***

(ORS 244.020(6))



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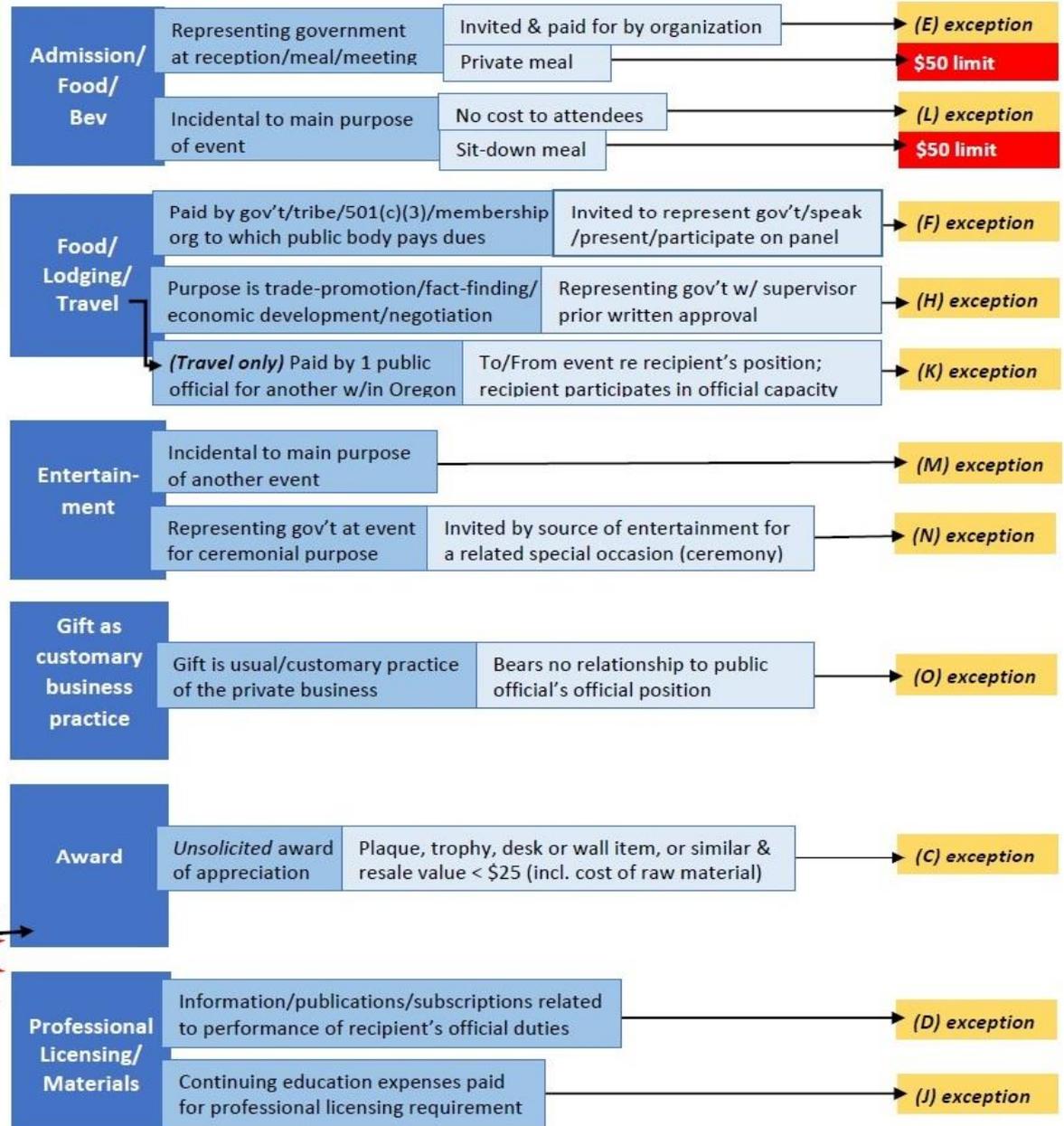
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AGENCY RESOURCES

- **Requests for guidance**
 - **Written (Staff Advice, Staff Op., Advisory Op.)**
 - **Telephone**
 - **In-person**
- **Review previously issued guidance**
- **Trainings (in-person, webinars, iLearn)**
- **Public records**
- **Electronic forms**

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THANK YOU!

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