

A-Engrossed
Senate Bill 718

Ordered by the Senate March 21
Including Senate Amendments dated March 21

Sponsored by Senator WALKER; Representative SHIELDS

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Directs members of Oregon Investment Council to declare conflicts of interest in writing not later than [*one business day*] **three business days** after discovering conflict.

Authorizes Oregon Government Standards and Practices Commission to impose civil penalty for violation.

A BILL FOR AN ACT

1
2 Relating to conflicts of interest; creating new provisions; and amending ORS 244.350.

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

4 **SECTION 1. Section 2 of this 2005 Act is added to and made a part of ORS 293.701 to**
5 **293.820.**

6 **SECTION 2. (1) As used in this section:**

7 (a) "Business" has the meaning given that term in ORS 244.020.

8 (b) "Business with which the person is associated" has the meaning given that term in
9 ORS 244.020.

10 (c) "Relative" has the meaning given that term in ORS 244.020.

11 (2) When a member of the Oregon Investment Council becomes aware that action on a
12 matter pending before the council might lead to private pecuniary benefit or detriment to
13 the person, to a relative of the person or to a business with which the person or a relative
14 of the person is associated, the member shall notify in writing the State Treasurer or the
15 Chief Deputy State Treasurer that any action, decision or recommendation by the member
16 might constitute an actual or potential conflict of interest. The member shall provide the
17 notice not later than three business days after the member becomes aware of the possibility
18 of an actual or potential conflict.

19 (3) Subsection (2) of this section does not apply if the pecuniary benefit or detriment
20 arises out of circumstances described in ORS 244.020 (14)(a) to (c).

21 (4) Nothing in this section excuses a member of the council from compliance with ORS
22 244.120.

23 **SECTION 3. ORS 244.350 is amended to read:**

24 244.350. (1) The Oregon Government Standards and Practices Commission or the court under
25 ORS 244.260 (8) may impose civil penalties not to exceed:

26 (a) **Except as provided in paragraph (b) of this subsection**, \$1,000 for violating any provision
27 of this chapter or any resolution adopted [*pursuant thereto except that*] **under this chapter.**

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 **(b) \$25,000** for violation of ORS 244.045 [*the commission may impose a civil penalty of not to ex-*
2 *ceed \$25,000*].

3 (2) The commission may [*also*] impose civil penalties not to exceed \$1,000 for violating any pro-
4 vision of ORS 192.660. However, a civil penalty may not be imposed under this subsection if the vi-
5 olation occurred as a result of the governing body of the public body acting upon the advice of the
6 public body's counsel.

7 **(3) The commission may impose civil penalties not to exceed \$250 for violation of section**
8 **2 of this 2005 Act.**

9 [(3)] (4) Any penalty imposed under this section is in addition to and not in lieu of any other
10 penalty or sanction that may be imposed according to law, including removal from office.

11 **SECTION 4. Section 2 of this 2005 Act and the amendments to ORS 244.350 by section 3**
12 **of this 2005 Act apply to conflicts of interest of which a member of the Oregon Investment**
13 **Council becomes aware on or after the effective date of this 2005 Act.**

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