

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 478 - B**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Michael Graham  
Reviewed by: John Borden, Michelle Deister, Ken Rocco, Theresa McHugh, Amanda Beitel, Gregory Jolivet  
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**Measure Description:**

Prohibits campaign moneys and public moneys from being used to make payments in connection with nondisclosure agreement relating to workplace harassment .

**Government Unit(s) Affected:**

Oregon State Treasurer (OST), Office of the Governor, Oregon Judicial Department (OJD), Secretary of State (SOS), Oregon Government Ethics Commission (OGEC), Department of Justice (DOJ), Bureau of Labor and Industries (BOLI), Legislative Assembly

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

The measure would prohibit a holder of public office, candidate, political committee, or petition committee from using public moneys to make payments in connection with a nondisclosure agreement relating to workplace harassment. It would also prohibit a holder of public office, candidate, political committee, or petition committee from using moneys received from a third party to make payments in connection with a nondisclosure agreement relating to workplace harassment if the alleged harassment occurred when the holder of public office or candidate was acting as a holder of public office or candidate. The measure would define “workplace harassment” to mean conduct that constitutes discrimination, including conduct that constitutes sexual assault. It would also define “payments in connection with a nondisclosure agreement” to include any form of consideration provided in exchange for the silence of an individual on issues related to workplace harassment, including money, stock, severance payment(s), promise of a positive employment reference or assistance with future public employment, promise of a bonus payment, alternative work arrangements, or a waiver of a future claim. The measure would render any nondisclosure agreement relating to workplace harassment void and unenforceable in any court of this State, if the prohibited terms or conditions are present. The measure would increase the civil penalty imposed by the Secretary of State or the Attorney General from \$1,000 per violation to two times the amount of the penalty provision for a nondisclosure agreement relating to workplace harassment. It would increase the civil penalty imposed by the Government Ethics Commission from \$5,000 to two times the contractual penalty contained in a nondisclosure agreement relating to workplace harassment. The measure would take effect upon passage.

**Department of Justice:**

The measure would have no fiscal impact on the Department of Justice.

**Oregon Government Ethics Commission (OGEC):**

It is unclear if the measure would increase the number of complaints filed with OGEC. If the measure were to increase the number of complaints, OGEC estimates that it would need an additional Compliance Specialist 2 (1.00 FTE in 2019-21 and 2021-23) to manage the increased caseload. OGEC estimates that it would cost the

agency \$183,293 Other Funds in 2019-21 and 2021-23, which would be defrayed by an increase to the assessment charged to state agencies and other governmental entities that supports OGEC's budget. However, because it is unclear whether the measure would increase the number of complaints filed with OGEC, the fiscal impact is indeterminant.

**Secretary of State:**

The measure would have no fiscal impact on the Secretary of State.

**Legislative Assembly:**

The measure would have no fiscal impact on the Legislative Assembly.

**Office of the Governor:**

The measure would have no fiscal impact on the Office of the Governor.

**Bureau of Labor and Industries:**

The measure would have no fiscal impact on the Bureau of Labor and Industries.

**Oregon Judicial Department (OJD):**

The measure would create additional civil penalties that may be imposed upon holders of public office, candidates, political committees, and petition committees by the Secretary of State, Attorney General, and the Oregon Government Ethics Commission. OJD anticipates that the measure could increase the number of cases filed with the Court of Appeals. However, it would present only a modest increase. For that reason, the fiscal impact to OJD would be minimal.

**Oregon State Treasurer:**

The measure would have no fiscal impact on the Oregon State Treasurer.