HB 3130 STAFF MEASURE SUMMARY

House Committee On Rules

Prepared By: Melissa Leoni, LPRO Analyst **Meeting Dates:** 2/10

WHAT THE MEASURE DOES:

The measure limits the requirement for members of a district school board to file an annual verified statement of economic interest to those members who receive a stipend from the district school board.

Fiscal impact: May have fiscal impact, but no statement yet issued Revenue impact: May have revenue impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

ORS Chapter 244 and related statutes prohibit the use of public office for financial gain, require disclosure of economic interests and conflicts of interest, and provide sanctions and procedures for enforcement, which are overseen by the Oregon Government Ethics Commission (OGEC). ORS 244.050 specifically requires certain public officials and candidates for office to file an Annual Verified Statement of Economic Interest (SEI) with the OGEC by April 15 of each calendar year.

A <u>May 2021 audit of the OGEC</u> by the Secretary of State Audits Division recommended adding school board members to the list of public officials required to submit an SEI. The audit noted that since school board members manage a critical public function and allocate billions of dollars in revenue as part-time public officials with other employment and community connections, "it is important to provide the public with adequate information about these potential conflicts to maintain accountability and fairness." House Bill 4114, enacted in 2022, added school board members to the list of public officials who must file an annual SEI with the OGEC.

In 2023, the Legislative Assembly enacted House Bill 2753 allowing district school boards to offer members a stipend of up to \$500 per month, permitting individual board members to choose not to receive the stipend, and requiring districts not providing a stipend to reimburse expenses incurred in the performance of duties.