# SB 983 A STAFF MEASURE SUMMARY

## **House Committee On Rules**

Prepared By:Melissa Leoni, LPRO AnalystMeeting Dates:6/5, 6/9

## WHAT THE MEASURE DOES:

The measure allows a public official to participate in any discussion or debate and to vote on the adoption of a local budget that includes providing compensation or benefits to the public official, or a relative of the public official, after publicly announcing the nature of the actual conflict of interest. It declares an emergency and takes effect on passage.

Fiscal impact: No fiscal impact Revenue impact: No revenue impact

Senate Vote: Ayes, 27; Excused, 3

#### **ISSUES DISCUSSED:**

- Measure applying to all governing bodies adopting a budget with compensation for official or relative
- Measure affecting ability for city councils to vote on compensation they receive, including food and beverages
- What constitutes actual ethical issues for public officials
- Legislators and conflict of interest when voting on state budgets
- Oregon School Boards Association bringing the issue to the Oregon Government Ethics Commission for a solution

#### **EFFECT OF AMENDMENT:**

No amendment.

#### **BACKGROUND:**

An elected public official, other than a member of the Legislative Assembly, or an appointed public official serving on a board or commission, may announce a potential conflict of interest and take any action in their capacity as a public official, but is prohibited from taking any action or participating in any discussion or debate if the public official has an actual conflict of interest, except where the official's vote is necessary to meet minimum vote requirements (ORS 244.120).

<u>House Bill 2753 (2023)</u> allowed school district boards to provide members with monthly stipends. After passage of that measure, the Oregon Government Ethics Commission issued Advice No. 23-342i outlining conflicts of interest and offering four options for how school board members could adopt stipends, including adopting stipends for future members, voting on individual resolutions for each board member, referring the issue to voters, or passage of legislation that would remove the conflict of interest.