

**Enrolled**  
**House Bill 4017**

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Rules for Electronic Security Association)

CHAPTER .....

AN ACT

Relating to use of campaign contributions; amending ORS 244.020 and 260.407; and declaring an emergency.

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

**SECTION 1.** ORS 260.407 is amended to read:

260.407. (1)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions by a candidate, the principal campaign committee of a candidate or the principal campaign committee of a holder of public office may be:

(A) Used to defray any expenses incurred in connection with the recipient’s duties as a holder of public office;

(B) Transferred to any national, state or local political committee of any political party;

(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code or to any charitable corporation as defined in ORS 128.620; [or]

**(D) Used for purposes of reasonable security-related expenses, including security and alarm systems and monitoring services for a candidate, holder of public office or the family of a candidate or holder of public office, when the security-related expenses arise from the candidate or holder of public office being a candidate or holder of public office; or**

[*(D)*] **(E)** Used for any other lawful purpose.

(b) Amounts received as contributions by a candidate, the principal campaign committee of a candidate for public office or the principal campaign committee of a holder of public office may not be:

(A) **Except as provided in this subparagraph**, converted by any person to any personal use other than to defray any expenses incurred in connection with the person’s duties as a holder of public office or to repay to a candidate any loan the proceeds of which were used in connection with the candidate’s campaign[;]. **Security and alarm systems obtained for purposes of reasonable security-related expenses under subsection (1)(a)(D) of this section may be converted to personal use by the candidate or holder of public office after the candidate or holder of public office is no longer a candidate or holder of public office.**

(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this paragraph may be used to pay a civil penalty imposed under this chapter, a civil penalty imposed for campaign finance violations by a provision of a county charter or ordinance, a civil penalty imposed for campaign finance violations by a city charter or ordinance, or a

civil penalty imposed by any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay a civil penalty imposed for a violation of this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[;].

(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by the candidate or public official in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a candidate or public official. Contributions described in this paragraph may be used to pay legal expenses incurred by the candidate or public official in connection with a legal proceeding brought under ORS chapters 246 to 260, a campaign finance provision of a county charter or ordinance, a campaign finance provision of a city charter or ordinance, or any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay legal expenses incurred in connection with a proceeding brought under this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[; or].

(D) Used to make payments in connection with a nondisclosure agreement relating to workplace harassment. A nondisclosure agreement made in violation of this subparagraph is void and may not be enforced by a court of this state.

(2)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions by a political committee that is not a principal campaign committee may be:

(A) Used to repay to the political committee any loan the proceeds of which were used in connection with the campaign;

(B) Transferred to any national, state or local political committee of any political party;

(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code or to any charitable corporation as defined in ORS 128.620; or

(D) Used for any other lawful purpose.

(b) Amounts received as contributions by the political committee may not be:

(A) Converted by any person to any personal use[;].

(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this subsection may be used to pay a civil penalty imposed under this chapter, a civil penalty imposed for campaign finance violations by a provision of a county charter or ordinance, a civil penalty imposed for campaign finance violations by a city charter or ordinance, or a civil penalty imposed by any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay a civil penalty imposed for a violation of this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[;].

(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a treasurer or director of a political committee in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a treasurer or director. Contributions described in this subsection may be used to pay legal expenses incurred by a treasurer or director in connection with a legal proceeding brought under ORS chapters 246 to 260, a campaign finance provision of a county charter or ordinance, a campaign finance provision of a city charter or ordinance, or any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay legal expenses incurred in connection with a proceeding brought under this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[; or].

(D) Used to make payments in connection with a nondisclosure agreement relating to workplace harassment. A nondisclosure agreement made in violation of this subparagraph is void and may not be enforced by a court of this state.

(3)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions by a chief petitioner or treasurer of a petition committee may be:

(A) Used to repay to the chief petitioner any loan the proceeds of which were used in connection with the initiative, referendum or recall petition;

(B) Transferred to any national, state or local political committee of any political party;

(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code or to any charitable corporation as defined in ORS 128.620; or

(D) Used for any other lawful purpose.

(b) Amounts received as contributions by a chief petitioner or treasurer of a petition committee may not be:

(A) Converted by any person to any personal use[.];

(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this subsection may be used to pay a civil penalty imposed under this chapter, a civil penalty imposed for campaign finance violations by a provision of a county charter or ordinance, a civil penalty imposed for campaign finance violations by a city charter or ordinance, or a civil penalty imposed by any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay a civil penalty imposed for a violation of this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[.];

(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a chief petitioner or the treasurer of a petition committee in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a chief petitioner or treasurer. Contributions described in this subsection may be used to pay legal expenses incurred by a chief petitioner or treasurer in connection with a legal proceeding brought under ORS chapters 246 to 260, a campaign finance provision of a county charter or ordinance, a campaign finance provision of a city charter or ordinance, or any charter or ordinance provision adopted under the authority of ORS 260.163, except that contributions described in this subsection may not be used to pay legal expenses incurred in connection with a proceeding brought under this section or ORS 260.409 or an equivalent provision of a county or city charter or ordinance[; or].

(D) Used to make payments in connection with a nondisclosure agreement relating to workplace harassment. A nondisclosure agreement made in violation of this subparagraph is void and may not be enforced by a court of this state.

(4) As used in this section:

(a) "Contribution" and "expenditure" include a contribution or expenditure to or on behalf of an initiative, referendum or recall petition.

(b) "Funds donated" means all funds, including but not limited to gifts, loans, advances, credits or deposits of money that are donated for the purpose of supporting the activities of a holder of public office. "Funds donated" does not mean funds appropriated by the Legislative Assembly or another similar public appropriating body or personal funds of the office holder donated to an account containing only those personal funds.

(c) "Public office" does not include national or political party office.

(d) "Workplace harassment" means conduct that constitutes discrimination prohibited by ORS 659A.030, including conduct that constitutes sexual assault as defined in ORS 181A.323.

**(5) As used in subsection (1)(a)(D) of this section, "family" includes the spouse and any child, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or holder of public office, and any spouse of the child, parent, grandparent, brother, half-brother, sister or half-sister. "Family" does not include any family member described in this subsection of the spouse of the candidate or holder of public office.**

**SECTION 2.** ORS 244.020 is amended to read:

244.020. As used in this chapter, unless the context requires otherwise:

(1) "Actual conflict of interest" means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary

benefit or detriment of the person or a relative or member of the household of the person, or any business with which the person or a relative or member of the household of the person is associated, unless the pecuniary benefit or detriment arises out of circumstances described in subsection (13) of this section.

(2) "Business" means any corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual and any other legal entity operated for economic gain but excluding any income-producing not-for-profit corporation that is tax exempt under section 501(c) of the Internal Revenue Code with which a public official or a relative or member of the household of the public official is associated only as a member or board director or in a nonremunerative capacity.

(3) "Business with which the person is associated" means:

(a) Any private business or closely held corporation of which the person or a relative or member of the household of the person is a director, officer, owner or employee, or agent or any private business or closely held corporation in which the person or a relative or member of the household of the person owns or has owned stock, another form of equity interest, stock options or debt instruments worth \$1,000 or more at any point in the preceding calendar year;

(b) Any publicly held corporation in which the person or a relative or member of the household of the person owns or has owned \$100,000 or more in stock or another form of equity interest, stock options or debt instruments at any point in the preceding calendar year;

(c) Any publicly held corporation of which the person or a relative or member of the household of the person is a director or officer; or

(d) For public officials required to file a statement of economic interest under ORS 244.050, any business listed as a source of income as required under ORS 244.060 (3).

(4) "Candidate" means an individual for whom a declaration of candidacy, nominating petition or certificate of nomination to public office has been filed or whose name is printed on a ballot or is expected to be or has been presented, with the individual's consent, for nomination or election to public office.

(5) "Development commission" means any entity that has the authority to purchase, develop, improve or lease land or the authority to operate or direct the use of land. This authority must be more than ministerial.

(6) "First Partner" means the spouse or domestic partner of the Governor, or an individual who primarily has a personal relationship with the Governor as determined by the Oregon Government Ethics Commission by rule. "First Partner" encompasses any alternative title that the Governor may publicly substitute for "First Partner," including, but not limited to, "First Lady," "First Husband" or "First Spouse."

(7)(a) "Gift" means something of economic value given to a public official, a candidate or a relative or member of the household of the public official or candidate:

(A) Without valuable consideration of equivalent value, including the full or partial forgiveness of indebtedness, which is not extended to others who are not public officials or candidates or the relatives or members of the household of public officials or candidates on the same terms and conditions; or

(B) For valuable consideration less than that required from others who are not public officials or candidates.

(b) "Gift" does not mean:

(A) Contributions as defined in ORS 260.005.

(B) Gifts from relatives or members of the household of the public official or candidate.

(C) An unsolicited token or award of appreciation in the form of a plaque, trophy, desk item, wall memento or similar item, with a resale value reasonably expected to be less than \$25.

(D) Informational or program material, publications or subscriptions related to the recipient's performance of official duties.

(E) Admission provided to or the cost of food or beverage consumed by a public official, a relative of the public official accompanying the public official, a member of the household of the public

official accompanying the public official or a staff member of the public official accompanying the public official, at a reception, meal or meeting held by an organization when the public official represents state government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special government body as defined in ORS 174.117.

(F) Reasonable expenses paid by any unit of the federal government, a state or local government, a Native American tribe that is recognized by federal law or formally acknowledged by a state, a membership organization to which a public body as defined in ORS 174.109 pays membership dues or a not-for-profit corporation that is tax exempt under section 501(c)(3) of the Internal Revenue Code, for attendance at a convention, fact-finding mission or trip, conference or other meeting if the public official is scheduled to deliver a speech, make a presentation, participate on a panel or represent state government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special government body as defined in ORS 174.117.

(G) Contributions made to a legal expense trust fund established under ORS 244.209 for the benefit of the public official.

(H) Reasonable food, travel or lodging expenses provided to a public official, a relative of the public official accompanying the public official, a member of the household of the public official accompanying the public official or a staff member of the public official accompanying the public official, when the public official is representing state government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special government body as defined in ORS 174.117:

(i) On an officially sanctioned trade-promotion or fact-finding mission; or

(ii) In officially designated negotiations, or economic development activities, where receipt of the expenses is approved in advance.

(I) Food or beverage consumed by a public official acting in an official capacity:

(i) In association with the review, approval, execution of documents or closing of a borrowing, investment or other financial transaction, including any business agreement between state government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special government body as defined in ORS 174.117 and a private entity or public body as defined in ORS 174.109;

(ii) While engaged in due diligence research or presentations by the office of the State Treasurer related to an existing or proposed investment or borrowing; or

(iii) While engaged in a meeting of an advisory, governance or policy-making body of a corporation, partnership or other entity in which the office of the State Treasurer has invested moneys.

(J) Waiver or discount of registration expenses or materials provided to a public official or candidate at a continuing education event that the public official or candidate may attend to satisfy a professional licensing requirement.

(K) Expenses provided by one public official to another public official for travel inside this state to or from an event that bears a relationship to the receiving public official's office and at which the official participates in an official capacity.

(L) Food or beverage consumed by a public official or candidate at a reception where the food or beverage is provided as an incidental part of the reception and no cost is placed on the food or beverage.

(M) Entertainment provided to a public official or candidate or a relative or member of the household of the public official or candidate that is incidental to the main purpose of another event.

(N) Entertainment provided to a public official or a relative or member of the household of the public official where the public official is acting in an official capacity while representing state government as defined in ORS 174.111, a local government as defined in ORS 174.116 or a special government body as defined in ORS 174.117 for a ceremonial purpose.

(O) Anything of economic value offered to or solicited or received by a public official or candidate, or a relative or member of the household of the public official or candidate:

(i) As part of the usual and customary practice of the person's private business, or the person's employment or position as a volunteer with a private business, corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, not-for-profit corporation or other legal entity operated for economic value; and

(ii) That bears no relationship to the public official's or candidate's holding of, or candidacy for, the official position or public office.

(P) Reasonable expenses paid to a public school employee for accompanying students on an educational trip.

**(Q) Security and alarm systems obtained for purposes of reasonable security-related expenses under ORS 260.407 (1)(a)(D) that are converted to personal use in accordance with ORS 260.407 (1)(b)(A).**

(8) "Honorarium" means a payment or something of economic value given to a public official in exchange for services upon which custom or propriety prevents the setting of a price. Services include, but are not limited to, speeches or other services rendered in connection with an event.

(9) "Income" means income of any nature derived from any source, including, but not limited to, any salary, wage, advance, payment, dividend, interest, rent, honorarium, return of capital, forgiveness of indebtedness, or anything of economic value.

(10) "Legislative or administrative interest" means an economic interest, distinct from that of the general public, in:

(a) Any matter subject to the decision or vote of the public official acting in the public official's capacity as a public official; or

(b) Any matter that would be subject to the decision or vote of the candidate who, if elected, would be acting in the capacity of a public official.

(11) "Member of the household" means any person who resides with the public official or candidate.

(12) "Planning commission" means a county planning commission created under ORS chapter 215 or a city planning commission created under ORS chapter 227.

(13) "Potential conflict of interest" means any action or any decision or recommendation by a person acting in a capacity as a public official, the effect of which could be to the private pecuniary benefit or detriment of the person or a relative or member of the household of the person, or a business with which the person or the relative or member of the household of the person is associated, unless the pecuniary benefit or detriment arises out of the following:

(a) An interest or membership in a particular business, industry, occupation or other class required by law as a prerequisite to the holding by the person of the office or position.

(b) Any action in the person's official capacity which would affect to the same degree a class consisting of all inhabitants of the state, or a smaller class consisting of an industry, occupation or other group including one of which or in which the person or a relative or member of the household of the person, or a business with which the person or the relative or member of the household of the person is associated, is a member or is engaged.

(c) Membership in or membership on the board of directors of a nonprofit corporation that is tax-exempt under section 501(c) of the Internal Revenue Code.

(14) "Public office" has the meaning given that term in ORS 260.005.

(15) "Public official" means the First Partner and any person who, when an alleged violation of this chapter occurs, is serving the State of Oregon or any of its political subdivisions or any other public body as defined in ORS 174.109 as an elected official, appointed official, employee or agent, irrespective of whether the person is compensated for the services.

(16) "Relative" means:

(a) The spouse, parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the public official or candidate;

(b) The parent, stepparent, child, sibling, stepsibling, son-in-law or daughter-in-law of the spouse of the public official or candidate;

(c) Any individual for whom the public official or candidate has a legal support obligation;

(d) Any individual for whom the public official provides benefits arising from the public official's public employment or from whom the public official receives benefits arising from that individual's employment; or

(e) Any individual from whom the candidate receives benefits arising from that individual's employment.

(17) "Statement of economic interest" means a statement as described by ORS 244.060 or 244.070.

(18) "Zoning commission" means an entity to which is delegated at least some of the discretionary authority of a planning commission or governing body relating to zoning and land use matters.

**SECTION 3. This 2026 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2026 Act takes effect on its passage.**

**Passed by House February 17, 2026**

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Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

**Passed by Senate March 2, 2026**

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Rob Wagner, President of Senate

**Received by Governor:**

.....M,....., 2026

**Approved:**

.....M,....., 2026

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Tina Kotek, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2026

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Tobias Read, Secretary of State