

House Bill 2059

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Public Commission on the Oregon Legislature)

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 **as introduced**.

Allows candidate for public office to use political contributions only to support nomination or election of candidate. Prohibits candidate from using contributions for personal use. Prohibits candidate from using contributions to make contributions to other candidates or political committees, to defray office expenses, to pay criminal or civil penalties or to pay certain membership dues.

Allows candidate to distribute contributions to principal campaign committee of same candidate for different office. Allows candidate who discontinues principal campaign committee to distribute excess contributions to charitable organization, political party, legislative caucus political committee or Legislative Assembly.

Limits uses of contributions received by political committee that is not principal campaign committee.

A BILL FOR AN ACT

1
2 Relating to elections; creating new provisions; and amending ORS 260.046 and 260.407.

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

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

5 260.407. *[(1) Except as provided in subsection (2) of this section, amounts received as contributions*
6 *by a candidate or the principal campaign committee of a candidate for public office that are in excess*
7 *of any amount necessary to defray campaign expenditures and any other funds donated to a holder of*
8 *public office may be:]*

9 *[(a) Used to defray any expenses incurred in connection with the recipient's duties as a holder of*
10 *public office;]*

11 *[(b) Transferred to any national, state or local political committee of any political party;]*

12 *[(c) Contributed to any organization described in section 170(c) of Title 26 of the United States*
13 *Code or to any charitable corporation defined in ORS 128.620; or]*

14 *[(d) Used for any other lawful purpose.]*

15 *[(2) Notwithstanding subsection (1) of this section, amounts received as contributions by a candi-*
16 *date for public office that are in excess of any amount necessary to defray campaign expenditures and*
17 *other funds donated to a holder of public office shall not be converted by any person to any personal*
18 *use other than to defray any expenses incurred in connection with the person's duties as a holder of*
19 *public office or to repay to a candidate any loan the proceeds of which were used in connection with*
20 *the candidate's campaign.]*

21 *[(3) As used in this section:]*

22 *[(a) "Funds donated" means all funds, including but not limited to gifts, loans, advances, credits*
23 *or deposits of money that are donated for the purpose of supporting the activities of a holder of public*
24 *office. "Funds donated" does not mean funds appropriated by the Legislative Assembly or another*
25 *similar public appropriating body or personal funds of the office holder donated to an account con-*
26 *taining only those personal funds.]*

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) “Public office” does not include national or political party office.]**

2 **(1) Except as provided in subsections (3) and (4) of this section, a candidate or principal**
 3 **campaign committee of a candidate for public office may use contributions received by the**
 4 **candidate or committee only for the purpose of making expenditures to support the nomi-**
 5 **nation or election of the candidate.**

6 **(2) Except as provided in subsections (3) and (4) of this section, contributions received**
 7 **by a candidate or principal campaign committee of a candidate for public office may not be:**

8 **(a) Converted by any person to any personal use;**

9 **(b) Contributed to any other candidate or political committee;**

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

12 **(d) Used to pay any money award as defined in ORS 18.005 included as part of a judgment**
 13 **in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS**
 14 **183.310 or by a local government as defined in ORS 174.116; or**

15 **(e) Used to pay membership dues to a professional or civic organization if the member-**
 16 **ship is not integrally related to the candidate’s election or duties as a holder of public office.**

17 **(3) A candidate or principal campaign committee of a candidate for public office may**
 18 **distribute contributions received by the candidate or committee to the principal campaign**
 19 **committee of the same candidate for nomination or election to a different public office.**

20 **(4) If a candidate or principal campaign committee of a candidate for public office does**
 21 **not intend to receive contributions or make expenditures and intends to discontinue the**
 22 **statement of organization of the candidate or committee under ORS 260.046, the candidate**
 23 **or committee may distribute contributions received by the candidate or committee to:**

24 **(a) Any organization qualified as a charitable organization under 26 U.S.C. 501(c)(3), or**
 25 **to any charitable corporation as defined in ORS 128.620, if the organization or corporation is**
 26 **not controlled by the candidate or a member of the candidate’s immediate family;**

27 **(b) Any national, state or local political committee of any political party;**

28 **(c) Any political committee organized by a caucus of either house of the Legislative As-**
 29 **sembly; or**

30 **(d) In the case of a candidate for the office of state Senator or state Representative, the**
 31 **Property and Supplies Stores Account established under ORS 173.790.**

32 **(5) Contributions received by a political committee that is not a principal campaign**
 33 **committee of a candidate for public office may not be:**

34 **(a) Converted by any person to any personal use;**

35 **(b) Except as allowed under ORS chapter 244, used to defray any expenses incurred in**
 36 **connection with the duties of a holder of public office;**

37 **(c) Used to pay any money award as defined in ORS 18.005 included as part of a judgment**
 38 **in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS**
 39 **183.310 or by a local government as defined in ORS 174.116; or**

40 **(d) Used to pay membership dues of a candidate or holder of public office to a profes-**
 41 **sional or civic organization if the membership is not integrally related to the candidate’s**
 42 **election or the duties of the holder of public office.**

43 **(6) The Secretary of State by rule may specify expenditures that are allowed or prohibited**
 44 **under subsection (1), (2) or (5) of this section.**

45 **(7) As used in this section, “public office” does not include a national or political party**

1 **office.**

2 **SECTION 2.** ORS 260.046 is amended to read:

3 260.046. (1) A filing officer, in accordance with rules adopted by the Secretary of State, may
4 discontinue the statement of organization of a candidate, principal campaign committee or political
5 committee if the candidate, principal campaign committee or political committee has not filed a
6 statement of contributions received or expenditures made under this chapter.

7 (2) The Secretary of State shall adopt rules prescribing conditions and procedures under which
8 a filing officer may discontinue a statement of organization under this section.

9 (3) If a filing officer discontinues a statement of organization under this section, the filing officer
10 shall provide written notice to the candidate, principal campaign committee or political committee
11 that the statement has been discontinued.

12 (4) **A candidate, principal campaign committee or political committee may discontinue a**
13 **statement of organization in the manner specified by the Secretary of State by rule.**

14 **SECTION 3.** (1) **The amendments to ORS 260.407 by section 1 of this 2007 Act apply to**
15 **expenditures or distributions of contributions made on or after the effective date of this 2007**
16 **Act.**

17 (2) **The amendments to ORS 260.046 by section 2 of this 2007 Act apply to:**

18 (a) **Individuals who are or who become candidates or treasurers on or after the effective**
19 **date of this 2007 Act;**

20 (b) **Principal campaign committees or political committees for which a statement of or-**
21 **ganization was filed prior to the effective date of this 2007 Act and has not been discontinued;**
22 **and**

23 (c) **Principal campaign committees or political committees for which a statement of or-**
24 **ganization is filed on or after the effective date of this 2007 Act.**