

# House Bill 2912

Sponsored by Representative BUCKLEY

## 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**.

Establishes Dollars for Democracy Fund. Continuously appropriates moneys in fund to Secretary of State. Directs Secretary of State to mail 50 Dollars for Democracy to each elector in calendar year. Allows electors to contribute Dollars for Democracy to candidates. Allows candidates to submit contributed Dollars for Democracy to Secretary of State for payment from Dollars for Democracy Fund. Requires candidates who accept Dollars for Democracy to limit all contributions in calendar year to aggregate amounts not exceeding \$500.

Directs Secretary of State to make television time available for statewide and legislative candidates at primary and general elections. Directs secretary to publicize debates and forums of other candidates.

Repeals political tax credit.

Specifies January 1, 2008, operative date.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to elections; creating new provisions; amending ORS 260.005, 260.041, 260.044, 260.083,  
3 260.715, 260.737 and 260.995; repealing ORS 316.102; appropriating money; and declaring an  
4 emergency.

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

6 **SECTION 1. Sections 2 to 12 of this 2007 Act are added to and made a part of ORS**  
7 **chapter 260.**

8 **SECTION 2. (1) Not later than January 31 each calendar year, the Secretary of State**  
9 **shall mail or otherwise deliver 50 Dollars for Democracy to each individual who is an elector**  
10 **of this state as of January 1 of the calendar year.**

11 **(2) An individual who becomes an elector after January 1 of a calendar year may apply**  
12 **to the secretary to receive 50 Dollars for Democracy. If the secretary determines that the**  
13 **individual is an elector of this state and has not received Dollars for Democracy under sub-**  
14 **section (1) of this section, the secretary shall mail or otherwise deliver 50 Dollars for De-**  
15 **mocracy for that calendar year to the elector.**

16 **SECTION 3. (1) An elector may contribute Dollars for Democracy received by the elector**  
17 **in that calendar year to a candidate for nomination or election to a state or local elective**  
18 **office in any primary election, general election, regular district election or special election**  
19 **in this state. The candidate must, in the calendar year in which the contribution is made,**  
20 **be listed on a primary election, general election, regular district election or special election**  
21 **ballot in this state or have filed in this state one of the following:**

22 **(a) A prospective petition.**

23 **(b) A declaration of candidacy.**

24 **(c) A certificate of nomination.**

25 **(d) A designation of a principal campaign committee.**

**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 (2) Upon receiving a contribution under subsection (1) of this section, a candidate may  
 2 submit an amount of Dollars for Democracy to the Secretary of State for payment.

3 (3) The secretary shall examine each Dollar for Democracy submitted by a candidate and  
 4 determine whether:

5 (a) The candidate is eligible to receive funds from the Dollars for Democracy Fund es-  
 6 tablished under section 9 of this 2007 Act; and

7 (b) The candidate is in compliance with the provisions of section 4 (2) and (3) of this 2007  
 8 Act.

9 (4) If the candidate meets the requirements of subsection (3) of this section, the secre-  
 10 tary shall pay the candidate an amount equal to the number of Dollars for Democracy sub-  
 11 mitted by the candidate out of moneys in the Dollars for Democracy Fund established under  
 12 section 9 of this 2007 Act. The secretary may make payments under this section to the extent  
 13 there are unexpended and unobligated moneys available in the fund, but may not make any  
 14 payment that, when added to all other payments made by the secretary from the fund for  
 15 the calendar year, exceeds the amount credited to the fund for the biennium.

16 (5) If a payment is not made under this section, the secretary shall give written notice  
 17 to the candidate.

18 **SECTION 4.** (1) The Secretary of State may not mail or otherwise deliver more than 50  
 19 Dollars for Democracy to a single elector during a calendar year. An elector may not receive  
 20 or contribute more than 50 Dollars for Democracy during a calendar year.

21 (2) A candidate may not accept more than 50 Dollars for Democracy from a single elector  
 22 during a calendar year. A candidate may not submit more than 50 Dollars for Democracy  
 23 received from a single elector to the secretary for payment as described in section 3 of this  
 24 2007 Act.

25 (3) The secretary may not make a payment to a candidate under section 3 of this 2007  
 26 Act unless the candidate has filed a declaration of limitation on contributions under section  
 27 6 of this 2007 Act stating that the candidate, during the calendar year, will not accept a  
 28 contribution in an aggregate amount exceeding \$500 from any person or political committee.

29 **SECTION 5.** (1) Notwithstanding ORS 260.407, payments to candidates from the Dollars  
 30 for Democracy Fund may be used only for purposes related to the candidate's campaign for  
 31 nomination or election to public office.

32 (2) Payments to candidates from the Dollars for Democracy Fund may not be:

33 (a) Contributed to any other candidate or political committee;

34 (b) Used to make independent expenditures supporting or opposing any candidate, poli-  
 35 tical committee, initiative or referendum petition or measure; or

36 (c) Used in connection with the nomination or election of the candidate to any office  
 37 other than the office for which the payments were made.

38 **SECTION 6.** (1) Before accepting a contribution of any amount of Dollars for Democracy,  
 39 a candidate shall file a declaration of limitation on contributions with the Secretary of State  
 40 certifying that the candidate, during the calendar year, will not accept contributions in an  
 41 aggregate amount exceeding \$500 from a single person or political committee.

42 (2) The secretary by rule shall prescribe forms for the filing of a declaration of limitation  
 43 on contributions under this section.

44 (3) If a candidate accepts a contribution of any amount of Dollars for Democracy:

45 (a) A person or political committee may not contribute an aggregate amount exceeding

1 \$500 to the candidate in a calendar year; and

2 (b) The candidate may not accept contributions in an aggregate amount exceeding \$500  
3 from a single person or political committee in a calendar year.

4 (4) Contributions of Dollars for Democracy do not count against the \$500 contribution  
5 limit established in this section.

6 **SECTION 7.** (1) For each calendar year in which a candidate accepts a contribution of  
7 any amount of Dollars for Democracy:

8 (a) Except as provided in subsection (2) of this section, all contributions of money re-  
9 ceived by the candidate and all payments received by the candidate from the Dollars for  
10 Democracy Fund under section 3 of this 2007 Act shall be deposited in the account main-  
11 tained under ORS 260.054; and

12 (b) All contributions and expenditures of money made by or on behalf of the candidate  
13 shall be made from the account maintained under ORS 260.054.

14 (2) A candidate or the treasurer of the candidate's principal campaign committee may  
15 withdraw from the account an amount not exceeding \$500 to establish or replenish a petty  
16 cash fund. The total amount in the petty cash fund may not exceed \$500. The petty cash fund  
17 may not be used to make contributions. An expenditure from the petty cash fund:

18 (a) May not be made in amount exceeding \$100;

19 (b) May be made only for office supplies, transportation expenses and other necessities;  
20 and

21 (c) May not be used for the purchase of time, space or services from the media.

22 **SECTION 8.** (1) The Secretary of State shall prescribe the form and content of Dollars  
23 for Democracy.

24 (2) A contribution of Dollars for Democracy to a candidate must be accompanied by the  
25 name, occupation and address of the elector making the contribution.

26 **SECTION 9.** (1) The Dollars for Democracy Fund is established separate and distinct from  
27 the General Fund. Interest earned by the Dollars for Democracy Fund shall be credited to  
28 the fund. All moneys described in section 10 of this 2007 Act shall be paid into the State  
29 Treasury and credited to the Dollars for Democracy Fund. Moneys in the fund may be in-  
30 vested in the same manner as other state moneys.

31 (2) The Secretary of State shall keep a record of all moneys deposited in the Dollars for  
32 Democracy Fund that indicates the source from which the moneys are derived, the interest  
33 earned and the activity or program against which any withdrawal is charged.

34 (3) If moneys credited to the fund are withdrawn, transferred or otherwise used for  
35 purposes other than the program or activity for which the fund is established, interest shall  
36 accrue on the amount withdrawn from the date of withdrawal until the moneys are restored.

37 (4) Moneys in the fund shall provide, and are continuously appropriated to the secretary,  
38 for:

39 (a) The financing of election campaigns of candidates for nomination or election to public  
40 office as provided in sections 2 to 12 of this 2007 Act; and

41 (b) The payment of administrative, enforcement and other expenses of the secretary in  
42 carrying out the secretary's functions and duties under sections 2 to 12 of this 2007 Act.

43 **SECTION 10.** The following shall be deposited in the Dollars for Democracy Fund:

44 (1) An amount appropriated by the Legislative Assembly to the Dollars for Democracy  
45 Fund. For each biennium, the amount appropriated under this subsection shall be an amount

1 not less than \$50 multiplied by the number of electors registered in this state on January 1  
 2 of the last year of the preceding biennium. The amount described in this subsection shall be  
 3 credited from the General Fund to the Dollars for Democracy Fund on July 1 of each odd-  
 4 numbered year;

5 (2) Amounts that were distributed to a candidate, that remain unspent at the end of the  
 6 calendar year and that are delivered to the fund as provided in section 12 of this 2007 Act;

7 (3) Amounts delivered by any candidate who withdraws as a candidate for nomination or  
 8 election as provided in section 12 of this 2007 Act;

9 (4) Amounts delivered by any candidate against whom a civil penalty has been imposed,  
 10 as described in section 12 of this 2007 Act;

11 (5) Voluntary contributions made directly to the fund; and

12 (6) Civil penalties as provided in ORS 260.995.

13 **SECTION 11.** (1) For each biennial primary and general election, the Secretary of State  
 14 shall purchase or otherwise secure broadcast or cable television time for the purpose of  
 15 televising candidate forums or debates. The secretary shall make the television time avail-  
 16 able to candidates for statewide office and the offices of state Senator and state Represen-  
 17 tative.

18 (2) For any election, in the case of candidates for public offices not listed in subsection  
 19 (1) of this section, the secretary shall publicize the dates and locations of candidate forums  
 20 or debates.

21 **SECTION 12.** (1) If the account of a candidate who has received payments from the Dol-  
 22 lars for Democracy Fund shows an unexpended balance of contributions on December 31 of  
 23 the calendar year in which the payments from the fund were received, the candidate shall  
 24 deliver an amount of money equal to the amount described in subsection (3) of this section  
 25 to the Secretary of State not later than a date set by the secretary by rule.

26 (2) A candidate who withdraws as a candidate for nomination or election as provided in  
 27 ORS chapter 249, who has received payments from the Dollars for Democracy Fund in the  
 28 calendar year of withdrawal and whose account shows an unexpended balance of contribu-  
 29 tions on the date the candidate files a statement of withdrawal shall deliver to the secretary  
 30 an amount of money equal to the amount described in subsection (3) of this section. The  
 31 moneys shall be delivered on the same date that the candidate files a statement of with-  
 32 drawal.

33 (3) A candidate described in subsection (1) or (2) of this section shall deliver an amount  
 34 equal to the lesser of the unexpended balance of contributions or the amount received by the  
 35 candidate as payments from the Dollars for Democracy Fund.

36 (4) If the secretary determines that a candidate who withdraws as a candidate for nomi-  
 37 nation or election received payments from the Dollars for Democracy Fund without intending  
 38 to be a serious candidate, the secretary may order the candidate to deliver to the secretary  
 39 an amount of money equal to all payments made to the candidate from the fund. The moneys  
 40 shall be delivered not later than five business days after the secretary issues an order under  
 41 this subsection.

42 (5) A candidate against whom a civil penalty has been imposed under ORS 260.995 for vi-  
 43 olation of section 6 (3) of this 2007 Act is not eligible to receive payments from the Dollars  
 44 for Democracy Fund during the calendar year during which the penalty is imposed. At the  
 45 time the civil penalty is imposed, the candidate shall deliver to the secretary an amount of

1 **money equal to all payments distributed to the candidate from the Dollars for Democracy**  
 2 **Fund during the calendar year.**

3 **(6) The secretary shall deposit moneys received under this section in the Dollars for**  
 4 **Democracy Fund.**

5 **SECTION 13.** ORS 260.995 is amended to read:

6 260.995. (1) Except as provided in [subsection (2)] **subsections (2) and (3)** of this section, fol-  
 7 lowing an investigation under ORS 260.345, the Secretary of State or Attorney General may impose  
 8 a civil penalty not to exceed \$250 for each violation of any provision of Oregon Revised Statutes  
 9 relating to the conduct of any election, any rule adopted by the secretary under ORS chapters 246  
 10 to 260 or any other matter preliminary to or relating to an election, for which no penalty is other-  
 11 wise provided.

12 (2) The secretary or the Attorney General may impose a civil penalty not to exceed:

13 (a) \$1,000 for each violation of ORS 251.049 (3) or 251.405 (3); or

14 (b) \$1,000 plus the amount converted to personal use for each violation of ORS 260.407.

15 **(3) The secretary or the Attorney General may impose a civil penalty not to exceed**  
 16 **\$\_\_\_\_\_ for any violation of section 4, 5, 6 (1) or 7 of this 2007 Act. For a violation of section**  
 17 **6 (3) of this 2007 Act, the secretary or Attorney General may impose a civil penalty not to**  
 18 **exceed the greater of \$\_\_\_\_\_ or the amount of any contribution received or made in vio-**  
 19 **lation of section 6 (3) of this 2007 Act.**

20 [(3)] (4) Except as otherwise provided by this section, civil penalties under this section shall be  
 21 imposed as provided in ORS 183.745. In addition to the requirements of ORS 183.745, the notice shall  
 22 include:

23 (a) A statement of the authority and jurisdiction under which the hearing is to be held; and

24 (b) If the person is an agency, corporation or an unincorporated association, a statement that  
 25 such person must be represented by an attorney licensed in Oregon, unless the person is a political  
 26 committee which may be represented by any officer identified in the most recent statement of or-  
 27 ganization filed with the filing officer.

28 [(4)] (5) A hearing on whether to impose a civil penalty and to consider circumstances in miti-  
 29 gation shall be held by the secretary or Attorney General:

30 (a) Upon request of the person against whom the penalty may be assessed, if the request is made  
 31 not later than the 20th day after the date the person received notice sent under subsection [(3)] (4)  
 32 of this section; or

33 (b) Upon the secretary's or Attorney General's own motion.

34 [(5)] (6) The person against whom a penalty may be assessed need not appear in person at a  
 35 hearing held under this section, but instead may submit written testimony or other evidence, sworn  
 36 to before a notary public, to the secretary or Attorney General for entry in the hearing record. The  
 37 testimony or other evidence must be received by the secretary or Attorney General not later than  
 38 three business days before the day of the hearing.

39 [(6)] (7) All hearings under this section shall be held not later than 30 days after the deadline  
 40 for the person against whom the penalty may be assessed to request a hearing. However, if re-  
 41 quested by the person against whom the penalty may be assessed, a hearing under subsection [(4)]  
 42 (5) of this section shall be held not later than 45 days after the deadline for the person against  
 43 whom the penalty may be assessed to request a hearing.

44 [(7)] (8) The secretary or Attorney General shall issue an order not later than 90 days after a  
 45 hearing or after the deadline for requesting a hearing if no hearing is held.

1        [(8)] **(9) Except as provided in subsections (10) and (11) of this section**, all penalties recov-  
2        ered under this section shall be paid into the State Treasury and credited to the General Fund.

3        [(9)] **(10)** In the case of a civil penalty imposed under this section for a violation of ORS 260.407,  
4        the person against whom the penalty is assessed:

5            (a) Is personally responsible for the payment of the civil penalty;

6            (b) Shall pay the civil penalty from personal funds of the person; and

7            (c) May not pay the civil penalty from contributions received by a candidate or the principal  
8        campaign committee of a candidate.

9        **(11) A penalty recovered under subsection (3) of this section shall be deposited in the**  
10       **Dollars for Democracy Fund.**

11       **SECTION 14.** ORS 260.715 is amended to read:

12       260.715. (1) A person may not knowingly make a false statement, oath or affidavit when a  
13       statement, oath or affidavit is required under the election laws.

14            (2) A person may not request a ballot in a name other than the person's own name.

15            (3) A person may not vote or attempt to vote more than once at any election held on the same  
16       date.

17            (4) A person, except an elections official in performance of duties, may not willfully alter or  
18       destroy a ballot cast at an election or the returns of an election.

19            (5) A person may not willfully place a fraudulent ballot among the genuine ballots.

20            (6) A person may not falsely write anything purporting to be written by an election board  
21       member on the ballot or ballot stub.

22            (7) A person may not commit theft of a ballot or tally or return sheet, or willfully hinder or  
23       delay the delivery of the tally or return sheet to the county clerk, or fraudulently break open a  
24       sealed tally or return sheet of the election.

25            (8) A person may not manufacture or knowingly use a fraudulent ballot return identification  
26       envelope or secrecy envelope or sell, offer to sell, purchase or offer to purchase, for money or other  
27       valuable consideration, any official ballot, replacement ballot, ballot return identification envelope  
28       or secrecy envelope. As used in this subsection, "ballot return identification envelope" and "secrecy  
29       envelope" mean those envelopes used to return ballots to the county clerk by absent electors or in  
30       elections conducted by mail.

31       **(9) A person may not sell, offer to sell, purchase or offer to purchase, for money or other**  
32       **valuable consideration, any Dollars for Democracy.**

33       **SECTION 15.** ORS 260.005, as amended by section 21, chapter 809, Oregon Laws 2005, is  
34       amended to read:

35       260.005. As used in this chapter:

36            (1)(a) "Candidate" means:

37            (A) An individual whose name is printed on a ballot, for whom a declaration of candidacy,  
38       nominating petition or certificate of nomination to public office has been filed or whose name is  
39       expected to be or has been presented, with the individual's consent, for nomination or election to  
40       public office;

41            (B) An individual who has solicited or received and accepted a contribution, made an expendi-  
42       ture, or given consent to an individual, organization, political party or political committee to solicit  
43       or receive and accept a contribution or make an expenditure on the individual's behalf to secure  
44       nomination or election to any public office at any time, whether or not the office for which the in-  
45       dividual will seek nomination or election is known when the solicitation is made, the contribution

1 is received and retained or the expenditure is made, and whether or not the name of the individual  
 2 is printed on a ballot; or

3 (C) A public office holder against whom a recall petition has been completed and filed.

4 (b) For purposes of this section and ORS 260.035 to 260.159, “candidate” does not include a  
 5 candidate for the office of precinct committeeperson.

6 (c) **For purposes of sections 2 to 12 of this 2007 Act, “candidate” does not include a can-**  
 7 **didate for national public office.**

8 (2) “Committee director” means any person who directly and substantially participates in  
 9 decision-making on behalf of a political committee concerning the solicitation or expenditure of  
 10 funds and the support of or opposition to candidates or measures. The officers of a political party  
 11 shall be considered the directors of any political party committee of that party, unless otherwise  
 12 provided in the party’s bylaws.

13 (3)(a) Except as provided in ORS 260.007, “contribute” or “contribution” includes:

14 (A) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compen-  
 15 sation or consideration, of money, **Dollars for Democracy**, services other than personal services  
 16 for which no compensation is asked or given, supplies, equipment or any other thing of value:

17 (i) For the purpose of influencing an election for public office or an election on a measure, or  
 18 of reducing the debt of a candidate for nomination or election to public office or the debt of a pol-  
 19 itical committee; or

20 (ii) To or on behalf of a candidate, political committee or measure; and

21 (B) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforcea-  
 22 ble, to make a contribution.

23 (b) Regarding a contribution made for compensation or consideration of less than equivalent  
 24 value, only the excess value of it shall be considered a contribution.

25 (4)(a) “Controlled committee” means a political committee that, in connection with the making  
 26 of contributions or expenditures:

27 (A) Is controlled directly or indirectly by a candidate or a controlled committee; or

28 (B) Acts jointly with a candidate or controlled committee.

29 (b) For purposes of this subsection, a candidate controls a political committee if:

30 (A) The candidate, the candidate’s agent, a member of the candidate’s immediate family or any  
 31 other political committee that the candidate controls has a significant influence on the actions or  
 32 decisions of the political committee; or

33 (B) The candidate’s principal campaign committee and the political committee both have the  
 34 candidate or a member of the candidate’s immediate family as a treasurer or director.

35 (5) “County clerk” means the county clerk or the county official in charge of elections.

36 (6) **“Dollars for Democracy” means vouchers in \$1 increments that:**

37 (a) **Are mailed or otherwise delivered by the Secretary of State to electors;**

38 (b) **May be contributed by electors to candidates for elective public office; and**

39 (c) **May be submitted by candidates to the secretary for payment as described in section**  
 40 **3 of this 2007 Act.**

41 [(6)] (7) “Elector” means an individual qualified to vote under section 2, Article II of the Oregon  
 42 Constitution.

43 [(7)] (8) Except as provided in ORS 260.007, “expend” or “expenditure” includes the payment or  
 44 furnishing of money or anything of value or the incurring or repayment of indebtedness or obligation  
 45 by or on behalf of a candidate, political committee or person in consideration for any services,

1 supplies, equipment or other thing of value performed or furnished for any reason, including support  
 2 of or opposition to a candidate, political committee or measure, or for reducing the debt of a candi-  
 3 dicate for nomination or election to public office. "Expenditure" also includes contributions made  
 4 by a candidate or political committee to or on behalf of any other candidate or political committee.

5 ~~[(8)]~~ **(9)** "Filing officer" means:

6 (a) The Secretary of State:

7 (A) Regarding a candidate for public office;

8 (B) Regarding a statement required to be filed under ORS 260.118 by the chief petitioners of a  
 9 statewide initiative or referendum petition or by the chief petitioners of a recall petition relating  
 10 to a person holding state office;

11 (C) Regarding any measure; or

12 (D) Regarding any political committee.

13 (b) The county clerk, regarding a statement required to be filed under ORS 260.118 by:

14 (A) The chief petitioners of a county initiative or referendum petition;

15 (B) The chief petitioners of a district initiative or referendum petition where the district is sit-  
 16 uated wholly within one county; or

17 (C) The chief petitioners of a recall petition relating to a county public office holder or a district  
 18 public office holder where the district is situated wholly within one county.

19 (c) The chief city elections officer, regarding a statement required to be filed under ORS 260.118  
 20 by:

21 (A) The chief petitioners of a city initiative or referendum petition; or

22 (B) The chief petitioners of a recall petition relating to a city public office holder.

23 (d) The county clerk of the county in which the office of the chief administrative officer or ad-  
 24 ministrative board is located, when the district is situated in more than one county, regarding a  
 25 statement required to be filed under ORS 260.118 by:

26 (A) The chief petitioners of a district initiative or referendum petition; or

27 (B) The chief petitioners of a recall petition relating to a district public office holder.

28 (e) Notwithstanding paragraphs (a) to (d) of this subsection, in the case of an irrigation district  
 29 formed under ORS chapter 545:

30 (A) The county clerk, regarding any candidate for office or any measure at an irrigation district  
 31 formation election where the proposed district is situated wholly in one county;

32 (B) The county clerk of the county in which the office of the secretary of the proposed irrigation  
 33 district will be located, regarding any candidate for office or any measure at an irrigation district  
 34 formation election where the proposed district is situated in more than one county; or

35 (C) The secretary of the irrigation district for any election other than an irrigation district  
 36 formation election.

37 ~~[(9)]~~ **(10)** "Independent expenditure" means an expenditure by a person for a communication in  
 38 support of or in opposition to a clearly identified candidate or measure that is not made with the  
 39 cooperation or with the prior consent of, or in consultation with, or at the request or suggestion  
 40 of, a candidate or any agent or authorized committee of the candidate, or any political committee  
 41 or agent of a political committee supporting or opposing a measure. For purposes of this subsection:

42 (a) A communication is "in support of or in opposition to" a candidate or measure if:

43 (A) The communication, taken in its context, clearly and unambiguously urges the election or  
 44 defeat of a clearly identified candidate for nomination or election to public office, or the passage  
 45 or defeat of a clearly identified measure;



1 (B) The communication, as a whole, seeks action rather than simply conveying information; and

2 (C) It is clear what action the communication advocates.

3 (b) "Agent" means any person who has:

4 (A) Actual oral or written authority, either express or implied, to make or to authorize the  
5 making of expenditures on behalf of a candidate or on behalf of a political committee supporting or  
6 opposing a measure; or

7 (B) Been placed in a position within the campaign organization where it would reasonably ap-  
8 pear that in the ordinary course of campaign-related activities the person may authorize expen-  
9 ditures.

10 (c) "Clearly identified" means, with respect to candidates:

11 (A) The name of the candidate involved appears;

12 (B) A photograph or drawing of the candidate appears; or

13 (C) The identity of the candidate is apparent by unambiguous reference.

14 (d) "Clearly identified" means, with respect to measures:

15 (A) The ballot number of the measure appears;

16 (B) A description of the measure's subject or effect appears; or

17 (C) The identity of the measure is apparent by unambiguous reference.

18 (e) "Made with the cooperation or with the prior consent of, or in consultation with, or at the  
19 request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any  
20 political committee or agent of a political committee supporting or opposing a measure":

21 (A) Means any arrangement, coordination or direction by the candidate or the candidate's agent,  
22 or by any political committee or agent of a political committee supporting or opposing a measure,  
23 prior to the publication, distribution, display or broadcast of the communication. An expenditure  
24 shall be presumed to be so made when it is:

25 (i) Based on information about the plans, projects or needs of the candidate, or of the political  
26 committee supporting or opposing a measure, and provided to the expending person by the candidate  
27 or by the candidate's agent, or by any political committee or agent of a political committee sup-  
28 porting or opposing a measure, with a view toward having an expenditure made; or

29 (ii) Made by or through any person who is or has been authorized to raise or expend funds, who  
30 is or has been an officer of a political committee authorized by the candidate or by a political  
31 committee or agent of a political committee supporting or opposing a measure, or who is or has been  
32 receiving any form of compensation or reimbursement from the candidate, the candidate's principal  
33 campaign committee or agent or from any political committee or agent of a political committee  
34 supporting or opposing a measure; and

35 (B) Does not include providing to the expending person upon request a copy of this chapter or  
36 any rules adopted by the Secretary of State relating to independent expenditures.

37 [(10)] (11) "Initiative petition" means a petition to initiate a measure for which a prospective  
38 petition has been filed but that is not yet a measure.

39 [(11)] (12) "Judge" means judge of the Supreme Court, Court of Appeals, circuit court or the  
40 Oregon Tax Court.

41 [(12)] (13) "Mass mailing" means more than 200 substantially similar pieces of mail, but does  
42 not include a form letter or other mail that is sent in response to an unsolicited request, letter or  
43 other inquiry.

44 [(13)] (14) "Measure" includes any of the following submitted to the people for their approval  
45 or rejection at an election:

- 1 (a) A proposed law.
- 2 (b) An Act or part of an Act of the Legislative Assembly.
- 3 (c) A revision of or amendment to the Oregon Constitution.
- 4 (d) Local, special or municipal legislation.
- 5 (e) A proposition or question.
- 6 [(14)] (15) "Occupation" means:
- 7 (a) The nature of an individual's principal business; and
- 8 (b) If the individual is employed by another person, the business name and address, by city and
- 9 state, of the employer.
- 10 [(15)] (16) "Person" means an individual, corporation, limited liability company, labor organiza-
- 11 tion, association, firm, partnership, joint stock company, club, organization or other combination of
- 12 individuals having collective capacity.
- 13 [(16)(a)] (17)(a) "Political committee" means a combination of two or more individuals, or a
- 14 person other than an individual, that has:
- 15 (A) Received a contribution for the purpose of supporting or opposing a candidate, measure or
- 16 political party; or
- 17 (B) Made an expenditure for the purpose of supporting or opposing a candidate, measure or
- 18 political party.
- 19 (b) For purposes of paragraph (a)(B) of this subsection, an expenditure does not include:
- 20 (A) A contribution to a candidate or political committee that is required to report the contri-
- 21 bution on a statement filed under ORS 260.057, 260.076 or 260.102 or a certificate filed under ORS
- 22 260.112; or
- 23 (B) An independent expenditure for which a statement is required to be filed by a person under
- 24 ORS 260.044 (1).
- 25 [(17)] (18) "Public office" means any national, state, county, district, city office or position, ex-
- 26 cept a political party office, that is filled by the electors.
- 27 [(18)] (19) "Recall petition" means a petition to recall a public officer for which a prospective
- 28 petition has been filed but that is not yet a measure.
- 29 [(19)] (20) "Referendum petition" means a petition to refer a measure for which a prospective
- 30 petition has been filed but that is not yet a measure.
- 31 [(20)] (21) "Regular district election" means the regular district election described in ORS
- 32 255.335.
- 33 [(21)] (22) "Slate mailer" means a mass mailing that supports or opposes a total of three or more
- 34 candidates or measures.
- 35 [(22)(a)] (23)(a) "Slate mailer organization" means, except as provided in paragraph (b) of this
- 36 subsection, any person who directly or indirectly:
- 37 (A) Is involved in the production of one or more slate mailers and exercises control over the
- 38 selection of the candidates and measures to be supported or opposed in the slate mailers; and
- 39 (B) Receives or is promised payment for producing one or more slate mailers or for endorsing
- 40 or opposing, or refraining from endorsing or opposing, a candidate or measure in one or more slate
- 41 mailers.
- 42 (b) Notwithstanding paragraph (a) of this subsection, "slate mailer organization" does not in-
- 43 clude:
- 44 (A) A political committee organized by a political party; or
- 45 (B) A political committee organized by the caucus of either the Senate or the House of Repre-

1 representatives of the Legislative Assembly.

2 [(23)] (24) "State office" means the office of Governor, Secretary of State, State Treasurer, At-  
3 torney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public In-  
4 struction, state Senator, state Representative, judge or district attorney.

5 **SECTION 16.** ORS 260.041 is amended to read:

6 260.041. (1) Notwithstanding ORS 260.005 [(16)] (17) and except as provided in ORS 260.043, a  
7 candidate shall designate a political committee as the candidate's principal campaign committee. A  
8 candidate may designate only one political committee as the candidate's principal campaign com-  
9 mittee.

10 (2) A political committee may not be designated as the principal campaign committee of more  
11 than one candidate.

12 **SECTION 17.** ORS 260.044, as amended by section 28a, chapter 809, Oregon Laws 2005, is  
13 amended to read:

14 260.044. (1) A person shall file a statement of independent expenditures if the person makes in-  
15 dependent expenditures in a total amount of more than \$100 in a calendar year. The statement shall  
16 be filed with the Secretary of State.

17 (2) A statement described in subsection (1) of this section shall be filed not later than seven  
18 calendar days after the total amount of independent expenditures exceeds \$100 in a calendar year.  
19 The accounting period for the statement required by subsection (1) of this section begins on the date  
20 that an independent expenditure is made. The statement shall specify the candidate or measure  
21 supported or opposed by the independent expenditure. The secretary by rule shall prescribe the form  
22 of the statement.

23 (3) Notwithstanding ORS 260.005 [(16)] (17), a person who solicits and receives a contribution  
24 or contributions is a political committee and shall file a statement of organization under ORS  
25 260.042 and the statements required by ORS 260.057 or 260.076.

26 (4) For purposes of this section:

27 (a) An independent expenditure does not include a contribution to a candidate or political  
28 committee that is required to report the contribution on a statement filed under ORS 260.057,  
29 260.076 or 260.102 or a certificate filed under ORS 260.112;

30 (b) An independent expenditure does not include a contribution to a candidate who is not re-  
31 quired to file a statement of organization under ORS 260.043; and

32 (c) A person is not a political committee under subsection (3) of this section if all contributions  
33 received by the person are:

34 (A) Designated to an identified candidate or political committee;

35 (B) Delivered by the person to the designated candidate or political committee not later than  
36 seven business days after the contribution is received; and

37 (C) Required to be reported as contributions by a candidate or political committee on a state-  
38 ment filed under ORS 260.057, 260.076 or 260.102 or a certificate filed under ORS 260.112.

39 **SECTION 18.** ORS 260.083, as amended by section 16, chapter 809, Oregon Laws 2005, is  
40 amended to read:

41 260.083. (1) A statement filed under ORS 260.057, 260.076 or 260.118 shall list:

42 (a) Except as provided in ORS 260.085, for a contribution:

43 (A) The name, occupation and address of each person, and the name and address of each poli-  
44 tical committee, that contributed an aggregate amount of more than \$100 in a calendar year on be-  
45 half of a candidate or to a political committee and the total amount contributed by that person or

1 political committee; and

2 (B) The total amount of other contributions as a single item, but shall specify how those con-  
3 tributions were obtained.

4 (b) For an expenditure:

5 (A) The amount and purpose of each expenditure made in an aggregate amount of more than  
6 \$100 to a payee, the name or, if applicable, the business name of the payee of the expenditure, and  
7 the city, or county if the payee is not located in a city, and state in which the payee is located; and

8 (B) The total amount of other expenditures as a single item.

9 (c) Each loan, whether repaid or not, made by or to the candidate or political committee. The  
10 statement shall list:

11 (A) The name and address of each person shown as a cosigner or guarantor on a loan and the  
12 amount of the obligation undertaken by each cosigner or guarantor;

13 (B) The name of the lender holding the loan; and

14 (C) The terms of the loan, including the interest rate and repayment schedule.

15 (2) If an expenditure in an amount exceeding \$100 is a prepayment or a deposit made in con-  
16 sideration for any services, supplies, equipment or other thing of value to be performed or furnished  
17 at a future date, that portion of the deposit that has been expended shall be listed as an expenditure  
18 and the unexpended portion of the deposit shall be listed as an account receivable.

19 (3) Anything of value paid for or contributed by any person shall be listed as both an in-kind  
20 contribution and an expenditure by the candidate or committee for whose benefit the payment or  
21 contribution was made.

22 (4) If a candidate, political committee or chief petitioner under ORS 260.057 or 260.118 makes  
23 an expenditure that must be reported as an in-kind contribution and an expenditure as provided in  
24 subsection (3) of this section, the candidate, political committee or chief petitioner making the ori-  
25 ginal expenditure shall, in any statement filed under ORS 260.057 or 260.118, identify the expenditure  
26 as an in-kind contribution and identify the candidate or political committee for whose benefit the  
27 expenditure was made.

28 (5) Expenditures made by an agent of a candidate or political committee on behalf of the can-  
29 didate or committee shall be reported in the same manner as if the expenditures had been made by  
30 the candidate or political committee.

31 (6) If a political committee makes an expenditure that qualifies as an independent expenditure  
32 under ORS 260.005 [(9)] (10), the listing of the expenditure under this section shall identify any  
33 candidates or measures that are the subject of the independent expenditure and state whether the  
34 independent expenditure was used to advocate the election, passage or defeat of the candidates or  
35 measures.

36 (7) If a candidate, political committee, chief petitioner under ORS 260.118 or an agent of a can-  
37 didate, political committee or chief petitioner makes an expenditure for the purpose of paying any  
38 person money or other valuable consideration for obtaining signatures on an initiative, referendum  
39 or recall petition, the statement described in this section shall list the total amount paid by the  
40 candidate, political committee, chief petitioner or agent for the purpose of obtaining signatures. The  
41 statement is not required to list the name or address of any person as payee or the amount paid to  
42 any person.

43 (8)(a) A vendor who enters into a contract with a candidate or political committee to prepare  
44 or produce brochures, mailings, polls, other opinion research or television, radio or newspaper ad-  
45 vertising, or to provide mail handling and postage, is not considered an agent of the candidate or

1 political committee for purposes of subsection (5) of this section. The Secretary of State by rule may  
2 designate other specific products or services that would qualify a vendor for an exemption from re-  
3 porting under this subsection.

4 (b) Nothing in this section requires a vendor described in this subsection to disclose the vendor's  
5 internal or subcontracting costs for providing the specific product or service under paragraph (a)  
6 of this subsection.

7 (9) As used in this section, "address" has the meaning given that term in rules adopted by the  
8 Secretary of State.

9 **SECTION 19.** ORS 260.737, as amended by section 48, chapter 809, Oregon Laws 2005, is  
10 amended to read:

11 260.737. (1) A slate mailer organization may not send a slate mailer unless all of the following  
12 are satisfied:

13 (a) The name and address of the slate mailer organization shall be shown on the outside of each  
14 piece of the slate mailer in a legible size and type.

15 (b) The following notice shall appear in a legible size and type at the top or bottom of the front  
16 side of the slate mailer:

17 \_\_\_\_\_  
18  
19 **NOTICE TO VOTERS**

20 THIS DOCUMENT WAS NOT PREPARED BY A POLITICAL PARTY COMMITTEE OR PARTY CAUCUS COM-  
21 MITTEE.

22 CANDIDATES AND MEASURES MARKED WITH AN \* PAID FOR APPEARANCE IN THIS DOCUMENT.  
23 \_\_\_\_\_  
24

25 (c) Each candidate that has paid to appear in the slate mailer and each measure on whose behalf  
26 payment has been received to appear in the slate mailer shall be designated by an asterisk of legible  
27 size immediately following the name of the candidate or the name or number of the measure in each  
28 instance where the name of the candidate or the name or number of the measure appears in the  
29 slate mailer.

30 (2) The Secretary of State by rule shall define "legible size" and "legible size and type" as used  
31 in this section.

32 (3) For purposes of ORS 260.735 and this section, "address" means the address of a residence,  
33 office, headquarters or similar location where the slate mailer organization or a responsible officer  
34 of the slate mailer organization may be conveniently located. If the slate mailer organization is a  
35 political committee, the address shall be the address of the political committee included in the  
36 statement of organization under ORS 260.039 or 260.042.

37 (4) The Secretary of State by rule may define the term "payment" as used in this section and  
38 ORS 260.005 [(22)] (23) and 260.735.

39 **SECTION 20.** A credit may not be claimed under ORS 316.102 for a tax year beginning  
40 on or after January 1, 2008.

41 **SECTION 21.** ORS 316.102 is repealed on January 1, 2010.

42 **SECTION 22.** Nothing in the repeal of ORS 316.102 by section 21 of this 2007 Act affects  
43 the allowance of a tax credit under ORS 316.102 for a tax year beginning before January 1,  
44 2008.

45 **SECTION 23.** Sections 2 to 12 of this 2007 Act and the amendments to ORS 260.005,

1 260.041, 260.044, 260.083, 260.715, 260.737 and 260.995 by sections 13 to 19 of this 2007 Act be-  
2 come operative on January 1, 2008.

3 **SECTION 24.** The Secretary of State may take any action before January 1, 2008, that is  
4 necessary to enable the secretary to exercise, on and after January 1, 2008, all the duties,  
5 functions and powers conferred upon the secretary by sections 2 to 12 of this 2007 Act and  
6 the amendments to ORS 260.005, 260.041, 260.044, 260.083, 260.715, 260.737 and 260.995 by  
7 sections 13 to 19 of this 2007 Act.

8 **SECTION 25.** This 2007 Act being necessary for the immediate preservation of the public  
9 peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect  
10 on its passage.

11

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