

House Bill 3009

Sponsored by COMMITTEE ON RULES

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**.

Sets limits on amounts that may be contributed to political candidates and political committees.
Prohibits direct corporate and labor union contributions.
Requires identification of source of political publications.
Provides civil penalties.

Becomes operative if amendment to Oregon Constitution allowing regulation of campaign contributions is approved by people at next general election.

A BILL FOR AN ACT

1
2 Relating to elections; creating new provisions; amending ORS 260.005, 260.041, 260.044 and 260.737;
3 and repealing chapter 3, Oregon Laws 2007.

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

5 **SECTION 1. (1) The people of the State of Oregon find and declare that the current sys-**
6 **tem of financing candidate nomination and election campaigns undermines democracy in**
7 **Oregon in the following principal ways:**

8 (a) **It violates the democratic principle of "one person, one vote" and diminishes the**
9 **meaning of the right to vote by allowing large private contributions to have a deleterious**
10 **influence on the political process by denying the rights of all citizens to equal and meaningful**
11 **participation in the democratic process. This effect is demonstrated by the low level of par-**
12 **ticipation of persons making small contributions of \$100 or less in Oregon political contests.**
13 **In 2006, of the \$20 million contributed to legislative candidates only seven percent came from**
14 **these small contributors. In 2008, of the \$22 million contributed to legislative candidates only**
15 **five percent came from these small contributors. In the 2006 gubernatorial contest, of the**
16 **\$17 million in contributions only three percent came from these small contributors.**

17 (b) **It diminishes the free speech rights of nonwealthy voters and candidates whose voices**
18 **are drowned out by those who can afford to monopolize the arena of paid political commu-**
19 **nications. In the 2004 contested general election legislative races, the candidate who raised**
20 **the most money won 92 percent of the time. In 2006 the top fundraiser won contested general**
21 **election legislative races 82 percent of the time, while in 2008 this figure was 86 percent.**

22 (c) **It fuels the public perception of corruption and undermines public confidence in the**
23 **democratic process and democratic institutions. In the 2008 general election, contributions**
24 **to the top 10 state House candidates ranged from \$450,248 to \$868,309, while in the 2006 gen-**
25 **eral election the top 10 House fundraisers received contributions that ranged from \$357,372**
26 **to \$725,372. The top three 2008 general election state Senate campaign fundraisers in com-**
27 **petitive districts ranged from \$134,230 to \$458,977. The top five 2006 general election Senate**
28 **campaign contribution totals ranged from \$324,735 to \$625,432. Fundraising by two Eugene**
29 **mayoral candidates in the 2008 general election totaled \$299,086 and \$319,888. (Figures for**

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 2008 include contributions from May 21st through November 4th, 2008, while 2006 figures are
 2 contribution totals from the three general election campaign reports.)

3 (d) It diminishes elected officials' accountability to their constituents by compelling
 4 elected officials to be disproportionately accessible to the major contributors who finance
 5 their election campaigns. During the 2008 general election, three of the top five single con-
 6 tributions to state House candidates went to winners and those contributions accounted for
 7 54.6, 46 and 45.5 percent, respectively, of total fundraising by those elected officials. The
 8 largest single contribution to a 2008 general election state Senate candidate represented 50.6
 9 percent of total fundraising for that candidate. Contributions from the top 20 general election
 10 donors accounted for 45 percent of total fundraising by the gubernatorial winner in 2006.

11 (e) Public confidence is undermined and the public perception of corruption is increased
 12 by a pattern of contributions to leadership political action committees that indicates a sig-
 13 nificant number of contributions are intended to ensure access more than to support an id-
 14 eological commitment to any one political persuasion. For example, between 2000 and 2008
 15 the four leadership political action committees raised \$21 million and 30 percent of that
 16 money came from donors who gave to both a Republican and Democratic leadership com-
 17 mittee.

18 (f) It creates a danger of actual corruption by encouraging elected officials to take money
 19 from private interests that are directly affected by governmental actions.

20 (g) It drives up the cost of election campaigns, making it difficult for qualified candidates
 21 without access to large contributors or personal fortunes to mount competitive campaigns.
 22 The average spending by state Senate candidates doubled between 1994 and 2004 in both pri-
 23 mary and general election contests. The average cost of state House campaigns increased
 24 by 60 percent between 1994 and 2004 for primary campaigns and 30 percent between 1994 and
 25 2004 for general election contests.

26 (h) It disadvantages challengers because large campaign contributors tend to give their
 27 money to incumbents, thus causing elections to be less competitive.

28 (i) It inhibits communication with the electorate by candidates without access to large
 29 sums of campaign money.

30 (2) The people of the State of Oregon find and declare that providing a system of candi-
 31 date contribution limits will enhance democracy in Oregon in the following principal ways:

32 (a) It will help reduce the harmful influence of large contributions on the political pro-
 33 cess, remove access to wealth as a major determinant of a citizen's influence within the
 34 political process and restore meaning to the principle of "one person, one vote."

35 (b) It will help restore the rights of all citizens to equal and meaningful participation in
 36 the democratic process.

37 (c) It will diminish the public perception of corruption and strengthen public confidence
 38 in the democratic process and democratic institutions.

39 (d) It will help increase the accountability of elected officials to the constituents who
 40 elect them.

41 (e) It will reduce the danger of actual corruption caused by the current system of fi-
 42 nancing election campaigns of public officials, thus substantially helping to restore public
 43 confidence in the fairness of the electoral and legislative processes.

44 **SECTION 2.** Sections 3 to 8 of this 2009 Act are added to and made a part of ORS chapter
 45 **260.**

1 **SECTION 3.** (1) With respect to a single election, an individual may not contribute an
 2 aggregate amount exceeding:

3 (a) \$1,000 to a candidate for nomination or election to the office of Governor, Secretary
 4 of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and In-
 5 dustries, Superintendent of Public Instruction or judge of the Supreme Court, Court of Ap-
 6 peals or Oregon Tax Court.

7 (b) \$500 to a candidate for nomination or election to any other public office.

8 (c) \$2,500 to any one political committee other than a principal campaign committee.

9 (d) \$100 to any one small donor committee.

10 (2) Except as provided in subsections (3) and (4) of this section, with respect to a single
 11 election, a political committee or person, other than an individual, may not contribute an
 12 aggregate amount exceeding:

13 (a) \$5,000 to a candidate for nomination or election to the office of Governor, Secretary
 14 of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and In-
 15 dustries, Superintendent of Public Instruction or judge of the Supreme Court, Court of Ap-
 16 peals or Oregon Tax Court.

17 (b) \$1,000 to a candidate for nomination or election to any other public office.

18 (c) \$2,500 to any one political committee other than a principal campaign committee.

19 (3) With respect to a single election, a small donor committee may not contribute an
 20 aggregate amount exceeding:

21 (a) \$50,000 to a candidate for nomination or election to the office of Governor, Secretary
 22 of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and In-
 23 dustries, Superintendent of Public Instruction or judge of the Supreme Court, Court of Ap-
 24 peals or Oregon Tax Court.

25 (b) \$10,000 to a candidate for nomination or election to any other public office.

26 (c) \$2,500 to any one political committee other than a principal campaign committee.

27 (4) With respect to a single election, a candidate for public office may not contribute an
 28 aggregate amount exceeding \$1,000 to any one political committee or candidate.

29 (5)(a) A political committee or person, other than an individual, may not make a contri-
 30 bution to a small donor committee.

31 (b) A small donor committee may not accept contributions from any political committee
 32 or person, other than an individual.

33 (6) A candidate, principal campaign committee of a candidate or a political committee
 34 may not accept a contribution in excess of the limits specified in this section.

35 (7) A local government as defined in ORS 174.116 may enact contribution limits and pro-
 36 hibitions applicable to nominations or elections to local government office that are more
 37 strict than the limits specified in sections 3 to 5 of this 2009 Act.

38 (8) For purposes of this section, a contribution to or on behalf of a candidate includes a
 39 contribution to or on behalf of the candidate's principal campaign committee.

40 (9) This section does not apply to:

41 (a) Contributions made to or received by candidates for nomination or election to na-
 42 tional or political party office.

43 (b) A political committee organized exclusively to support or oppose a measure.

44 **SECTION 4.** (1) Except as provided in subsection (2) of this section, for purposes of the
 45 contribution limits established by section 3 of this 2009 Act:

1 (a) All political committees established by the same corporation or its subsidiaries are
2 treated as a single political committee;

3 (b) All political committees established by the same labor organization are treated as a
4 single political committee unless the political committee is established by a local unit of a
5 labor organization that has the authority to endorse candidates, subject to section 3 of this
6 2009 Act, independently of the labor organization and if the local unit contributes only funds
7 raised from its own members;

8 (c) All political committees established by the same political party are treated as a single
9 political committee;

10 (d) All political committees established by substantially the same group of persons are
11 treated as a single political committee;

12 (e) All controlled committees controlled by the same candidate or controlled committee
13 are treated as a single political committee; and

14 (f) Contributions are considered to be made by the same person if made by any parent,
15 subsidiary, branch, division, department, local unit or agent of the person.

16 (2) A person, other than a candidate, may control one political committee and one small
17 donor committee. Contributions made by the committees controlled by a single person under
18 this subsection shall not be considered as made by a single political committee under sub-
19 section (1) of this section.

20 (3) The Secretary of State by rule shall define when a political committee is considered
21 to be controlled by a person.

22 **SECTION 5.** (1) A corporation, professional corporation, nonprofit corporation or labor
23 organization may not:

24 (a) Make a contribution or expenditure directly or indirectly from treasury funds to or
25 on behalf of any candidate or political committee.

26 (b) Make an independent expenditure directly or indirectly from treasury funds.

27 (2) Subsection (1) of this section does not apply to:

28 (a) Contributions from a corporation, professional corporation, nonprofit corporation or
29 labor organization to a political committee organized exclusively to support or oppose a
30 measure; or

31 (b) Communication on any subject made by a corporation, professional corporation or
32 nonprofit corporation to its shareholders and executive or administrative personnel and their
33 families or by a labor organization aimed at its members and their families.

34 (3) A candidate or a political committee may not accept a contribution prohibited by this
35 section.

36 **SECTION 6.** (1) Except as provided in subsection (2) or (3) of this section, the Secretary
37 of State or Attorney General may impose a civil penalty in the manner provided by ORS
38 260.995 for each violation of section 3, 4 or 5 of this 2009 Act.

39 (2) For a violation of section 3 or 5 of this 2009 Act, the Secretary of State or Attorney
40 General may impose a civil penalty not to exceed the greater of \$1,000 or three times the
41 amount of the prohibited contribution or the contribution made in excess of the applicable
42 limit.

43 (3) For a violation of section 4 of this 2009 Act, the Secretary of State or Attorney Gen-
44 eral may impose a civil penalty not to exceed the greater of \$1,000 or three times the amount
45 of the contribution or expenditure made.

1 (4) If a candidate or candidate's principal campaign committee violates any provision of
 2 section 3 of this 2009 Act, the candidate and the candidate's treasurer are personally liable
 3 for the penalty imposed under this section. If a political committee, other than a principal
 4 campaign committee, violates any provision of section 3 of this 2009 Act, the directors of the
 5 political committee are jointly and severally liable for the penalty imposed under this section.

6 **SECTION 7.** (1) An expenditure not qualifying as an independent expenditure is an in-kind
 7 contribution to the candidate or the principal campaign committee of the candidate and an
 8 expenditure by the candidate or the principal campaign committee of the candidate.

9 (2) For purposes of the contribution limits established by section 3 of this 2009 Act, the
 10 amount of an expenditure not qualifying as an independent expenditure counts against the
 11 contribution limits of the person or political committee except that the contribution limits
 12 described in section 3 of this 2009 Act increase by 50 percent if contributions over the initial
 13 limit are in-kind contributions.

14 (3) A person or political committee may not report an expenditure as an independent
 15 expenditure if the expenditure does not qualify as an independent expenditure under ORS
 16 260.005.

17 **SECTION 8.** (1) Except as provided in subsections (2) and (3) of this section, a person
 18 may not print, post, broadcast, mail, circulate or otherwise publish, any written matter,
 19 photograph or broadcast relating to any candidate at any election, unless it states the name
 20 and address of the person responsible for the publication, including a statement that the
 21 publication was authorized by the person.

22 (2) Any radio or television broadcast required to be identified under subsection (1) of this
 23 section is not required to state the name and address of the person responsible for the
 24 broadcast, including a statement that the publication was authorized by the person. Instead,
 25 the broadcast must state the following:

26 (a) If paid for and authorized by a candidate, the principal campaign committee of a
 27 candidate or a political committee, that the broadcast has been paid for by the candidate, the
 28 principal campaign committee of the candidate or the political committee;

29 (b) If paid for by other persons but authorized by a candidate, the principal campaign
 30 committee of a candidate or a political committee, that the broadcast is paid for by the other
 31 persons and authorized by the candidate, the principal campaign committee of the candidate
 32 or the political committee; or

33 (c) If not authorized by a candidate, the principal campaign committee of a candidate or
 34 a political committee, the name of the person who paid for the broadcast and that the
 35 broadcast is not authorized by any candidate, principal campaign committee of a candidate
 36 or political committee.

37 (3) Subsections (1) and (2) of this section do not apply to:

38 (a) Any sign relating to a candidate if the candidate or the principal campaign committee
 39 of the candidate is responsible for the sign and the sign displays the name of the candidate;

40 (b) Any written matter relating to a measure at any election prepared under the direc-
 41 tion of the governing body of the city, county or district that referred the measure if the
 42 written matter is impartial, does not support or oppose the measure and contains the name
 43 and address of the city, county or district; or

44 (c) Any written matter, photograph or broadcast relating to any candidate or measure
 45 at any election if the written matter, photograph or broadcast is part of any bona fide news

1 coverage, article, story, report, interview, documentary, newscast or on the spot coverage
2 of bona fide news events.

3 (4) Subsection (3) of this section applies if:

4 (a) The written matter, photograph or broadcast is news or editorial coverage and not
5 paid or public service advertising;

6 (b) The written matter, photograph or broadcast appears in a publication or broadcast
7 that is regularly published or broadcast;

8 (c) In the case of written material, the name and address of the publisher or editor is
9 printed on the publication containing the written material; and

10 (d) In the case of a broadcast, the person making the broadcast is licensed by the Federal
11 Communications Commission.

12 (5) Any written matter, photograph or broadcast that has been previously published must
13 have the publisher and date of publication clearly identified when it is referred to in a pub-
14 lication listed under subsection (1) of this section.

15 (6) As used in this section, "address" means the address of a residence, office, head-
16 quarters or similar location where the person may be conveniently located. If the person is
17 a political committee, the address shall be the address of the political committee included in
18 the statement of organization under ORS 260.042.

19 (7) The Secretary of State by rule may define the term "sign" as used in subsection (3)(a)
20 of this section.

21 **SECTION 9.** ORS 260.005 is amended to read:

22 260.005. As used in this chapter:

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

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

28 (B) An individual who has solicited or received and accepted a contribution, made an expendi-
29 ture, or given consent to an individual, organization, political party or political committee to solicit
30 or receive and accept a contribution or make an expenditure on the individual's behalf to secure
31 nomination or election to any public office at any time, whether or not the office for which the in-
32 dividual will seek nomination or election is known when the solicitation is made, the contribution
33 is received and retained or the expenditure is made, and whether or not the name of the individual
34 is printed on a ballot; or

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

36 (b) For purposes of this section and ORS 260.035 to 260.156, "candidate" does not include a
37 candidate for the office of precinct committeeperson.

38 (2) "Committee director" means any person who directly and substantially participates in
39 decision-making on behalf of a political committee concerning the solicitation or expenditure of
40 funds and the support of or opposition to candidates or measures. The officers of a political party
41 shall be considered the directors of any political party committee of that party, unless otherwise
42 provided in the party's bylaws.

43 (3)(a) Except as provided in ORS 260.007, "contribute" or "contribution" includes:

44 (A) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compen-
45 sation or consideration, of money, services other than personal services for which no compensation

1 is asked or given, supplies, equipment or any other thing of value:

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

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

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

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

10 (4)(a) "Controlled committee" means a political committee that, in connection with the making
 11 of contributions or expenditures:

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

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

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

15 (A) The candidate, the candidate's agent, a member of the candidate's immediate family or any
 16 other political committee that the candidate controls has a significant influence on the actions or
 17 decisions of the political committee; or

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

20 (5) "County clerk" means the county clerk or the county official in charge of elections.

21 (6) "Elector" means an individual qualified to vote under section 2, Article II of the Oregon
 22 Constitution.

23 (7) Except as provided in ORS 260.007, "expend" or "expenditure" includes the payment or fur-
 24 nishing of money or anything of value or the incurring or repayment of indebtedness or obligation
 25 by or on behalf of a candidate, political committee or person in consideration for any services,
 26 supplies, equipment or other thing of value performed or furnished for any reason, including support
 27 of or opposition to a candidate, political committee or measure, or for reducing the debt of a can-
 28 didate for nomination or election to public office. "Expenditure" also includes contributions made
 29 by a candidate or political committee to or on behalf of any other candidate or political committee.

30 (8) "Filing officer" means:

31 (a) The Secretary of State:

32 (A) Regarding a candidate for public office;

33 (B) Regarding a statement required to be filed under ORS 260.118;

34 (C) Regarding any measure; or

35 (D) Regarding any political committee.

36 (b) Notwithstanding paragraph (a) of this subsection, in the case of an irrigation district formed
 37 under ORS chapter 545:

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

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

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

45 (9) "Independent expenditure" means an expenditure by a person for a communication in support

1 of or in opposition to a clearly identified candidate or measure that is not made with the cooper-
 2 ation or with the prior consent of, or in consultation with, or at the request or suggestion of, a
 3 candidate or any agent or authorized committee of the candidate, or any political committee or
 4 agent of a political committee supporting or opposing a measure. For purposes of this subsection:

5 (a) A communication is “in support of or in opposition to” a candidate or measure if:

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

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

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

11 (b) “Agent” means any person who has:

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

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

18 (c) “Clearly identified” means, with respect to candidates:

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

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

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

22 (d) “Clearly identified” means, with respect to measures:

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

24 (B) A description of the measure’s subject or effect appears; or

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

26 (e) “Made with the cooperation or with the prior consent of, or in consultation with, or at the
 27 request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any
 28 political committee or agent of a political committee supporting or opposing a measure”:

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

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

37 (ii) Made by or through any person who is or has been authorized to raise or expend funds, who
 38 is or has been an officer of a political committee authorized by the candidate or by a political
 39 committee or agent of a political committee supporting or opposing a measure, or who is or has been
 40 receiving any form of compensation or reimbursement from the candidate, the candidate’s principal
 41 campaign committee or agent or from any political committee or agent of a political committee
 42 supporting or opposing a measure; and

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

45 (10) “Initiative petition” means a petition to initiate a measure for which a prospective petition

1 has been filed but that is not yet a measure.

2 (11) “Judge” means judge of the Supreme Court, Court of Appeals, circuit court or the Oregon
3 Tax Court.

4 (12) **“Labor organization” means any organization of any kind, or any agency or employee
5 representation committee or plan, in which employees participate and that exists for the
6 purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes,
7 wages, rates of pay, hours of employment or conditions of work.**

8 [(12)] (13) “Mass mailing” means more than 200 substantially similar pieces of mail, but does
9 not include a form letter or other mail that is sent in response to an unsolicited request, letter or
10 other inquiry.

11 [(13)] (14) “Measure” includes any of the following submitted to the people for their approval
12 or rejection at an election:

- 13 (a) A proposed law.
- 14 (b) An Act or part of an Act of the Legislative Assembly.
- 15 (c) A revision of or amendment to the Oregon Constitution.
- 16 (d) Local, special or municipal legislation.
- 17 (e) A proposition or question.

18 [(14)] (15) “Occupation” means:

- 19 (a) The nature of an individual’s principal business; and
- 20 (b) If the individual is employed by another person, the business name and address, by city and
21 state, of the employer.

22 [(15)] (16) “Person” means an individual, corporation, limited liability company, labor organiza-
23 tion, association, firm, partnership, joint stock company, club, organization or other combination of
24 individuals having collective capacity.

25 [(16)(a)] (17)(a) “Political committee” means a combination of two or more individuals, or a
26 person other than an individual, that has:

- 27 (A) Received a contribution for the purpose of supporting or opposing a candidate, measure or
28 political party; or
- 29 (B) Made an expenditure for the purpose of supporting or opposing a candidate, measure or
30 political party.

31 (b) For purposes of paragraph (a)(B) of this subsection, an expenditure does not include:

32 (A) A contribution to a candidate or political committee that is required to report the contri-
33 bution on a statement filed under ORS 260.057, 260.076 or 260.102 or a certificate filed under ORS
34 260.112; or

35 (B) An independent expenditure for which a statement is required to be filed by a person under
36 ORS 260.044 [(1)].

37 [(17)] (18) “Public office” means any national, state, county, district, city office or position, ex-
38 cept a political party office, that is filled by the electors.

39 [(18)] (19) “Recall petition” means a petition to recall a public officer for which a prospective
40 petition has been filed but that is not yet a measure.

41 [(19)] (20) “Referendum petition” means a petition to refer a measure for which a prospective
42 petition has been filed but that is not yet a measure.

43 [(20)] (21) “Regular district election” means the regular district election described in ORS
44 255.335.

45 [(21)] (22) “Slate mailer” means a mass mailing that supports or opposes a total of three or more

1 candidates or measures.

2 [(22)(a)] **(23)(a)** “Slate mailer organization” means, except as provided in paragraph (b) of this
 3 subsection, any person who directly or indirectly:

4 (A) Is involved in the production of one or more slate mailers and exercises control over the
 5 selection of the candidates and measures to be supported or opposed in the slate mailers; and

6 (B) Receives or is promised payment for producing one or more slate mailers or for endorsing
 7 or opposing, or refraining from endorsing or opposing, a candidate or measure in one or more slate
 8 mailers.

9 (b) Notwithstanding paragraph (a) of this subsection, “slate mailer organization” does not in-
 10 clude:

11 (A) A political committee organized by a political party; or

12 (B) A political committee organized by the caucus of either the Senate or the House of Repre-
 13 sentatives of the Legislative Assembly.

14 **(24) “Small donor committee” means a political committee that:**

15 **(a) Accepts contributions only from individuals;**

16 **(b) Does not accept contributions from individuals that exceed \$100 with respect to a**
 17 **single election;**

18 **(c) Does not make expenditures to support or oppose measures; and**

19 **(d) Does not make contributions to political committees organized exclusively to support**
 20 **or oppose a measure.**

21 [(23)] **(25)** “State office” means the office of Governor, Secretary of State, State Treasurer, At-
 22 torney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public In-
 23 struction, state Senator, state Representative, judge or district attorney.

24 **(26) “With respect to a single election” means, in the case of a contribution to a candi-**
 25 **date for public office:**

26 **(a) The next election for nomination or election to that public office, other than national**
 27 **or political party office, after the contribution is made; or**

28 **(b) In the case of a contribution made after an election and designated in writing by the**
 29 **contributor for a previous election, the election so designated. A contribution may be desig-**
 30 **minated for a previous election under this subsection if the contribution does not exceed the**
 31 **expenditure deficit of the candidate or principal campaign committee of the candidate re-**
 32 **ceiving the contribution.**

33 **SECTION 10.** ORS 260.044 is amended to read:

34 260.044. (1) A person shall file a statement of independent expenditures if the person makes in-
 35 dependent expenditures in a total amount of more than \$100 in a calendar year. The statement shall
 36 be filed **electronically** with the Secretary of State **under ORS 260.057.**

37 (2) A **person shall file a** statement described in subsection (1) of this section [*shall be filed*] not
 38 later than seven calendar days after the total **aggregate** amount of independent expenditures ex-
 39 ceeds \$100 in a calendar year[.], **and thereafter:**

40 **(a) Not later than one calendar day after the person makes an independent expenditure**
 41 **if the independent expenditure is made during the period beginning on the 42nd calendar day**
 42 **before the date of any primary election and ending on the date of the primary election or the**
 43 **period beginning on the 42nd calendar day before the date of any general election and ending**
 44 **on the date of the general election.**

45 **(b) Except as provided in subsection (3) of this section, not later than seven calendar**

1 days after the person makes an independent expenditure if the independent expenditure is
 2 made during a period not described in paragraph (a) of this subsection.

3 (3) If a person makes an independent expenditure prior to the 42nd calendar day before
 4 the date of a primary or general election and the person has not filed a statement under
 5 subsection (2) of this section by the 43rd calendar day before the date of the primary or
 6 general election, the person must file a statement required under this section not later than
 7 the 35th calendar day before the date of the primary or general election.

8 (4) The accounting period for the statement required by subsection (1) of this section begins on
 9 the date that an independent expenditure is made.

10 (5) The statement shall specify the candidate or measure supported or opposed by the inde-
 11 pendent expenditure. The secretary by rule shall prescribe the form of the statement.

12 [(3)] (6) Notwithstanding ORS 260.005 [(16)] (17), a person who solicits and receives a contribu-
 13 tion or contributions is a political committee and shall file a statement of organization under ORS
 14 260.042 and the statements required by ORS 260.057 or 260.076.

15 [(4)] (7) For purposes of this section:

16 (a) An independent expenditure does not include a contribution to a candidate or political
 17 committee that is required to report the contribution on a statement filed under ORS 260.057,
 18 260.076 or 260.102 or a certificate filed under ORS 260.112;

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

21 (c) A person is not a political committee under subsection [(3)] (6) of this section if all contri-
 22 butions received by the person are:

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

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

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

28 **SECTION 11.** ORS 260.041 is amended to read:

29 260.041. (1) Notwithstanding ORS 260.005 [(16)] (17) and except as provided in ORS 260.043, a
 30 candidate shall designate a political committee as the candidate's principal campaign committee. A
 31 candidate may designate only one political committee as the candidate's principal campaign com-
 32 mittee.

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

35 **SECTION 12.** ORS 260.737 is amended to read:

36 260.737. (1) A slate mailer organization may not send a slate mailer unless all of the following
 37 are satisfied:

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

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

42
 43
 44 NOTICE TO VOTERS
 45

1 THIS DOCUMENT WAS NOT PREPARED BY A POLITICAL PARTY COMMITTEE OR PARTY
2 CAUCUS COMMITTEE.

3
4 CANDIDATES AND MEASURES MARKED WITH AN * PAID FOR APPEARANCE IN THIS
5 DOCUMENT.

6 _____
7
8 (c) Each candidate that has paid to appear in the slate mailer and each measure on whose behalf
9 payment has been received to appear in the slate mailer shall be designated by an asterisk of legible
10 size immediately following the name of the candidate or the name or number of the measure in each
11 instance where the name of the candidate or the name or number of the measure appears in the
12 slate mailer.

13 (2) The Secretary of State by rule shall define “legible size” and “legible size and type” as used
14 in this section.

15 (3) For purposes of ORS 260.735 and this section, “address” means the address of a residence,
16 office, headquarters or similar location where the slate mailer organization or a responsible officer
17 of the slate mailer organization may be conveniently located. If the slate mailer organization is a
18 political committee, the address shall be the address of the political committee included in the
19 statement of organization under ORS 260.039 or 260.042.

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

22 **SECTION 13. Chapter 3, Oregon Laws 2007, is repealed if the amendment to the Oregon**
23 **Constitution proposed by House Joint Resolution 26 (2009) is approved by the people at the**
24 **regular general election held in November 2010. Chapter 3, Oregon Laws 2007, is repealed on**
25 **the operative date of this 2009 Act.**

26 **SECTION 14. (1) Sections 3 to 7 of this 2009 Act and the amendments to ORS 260.005,**
27 **260.041, 260.044 and 260.737 by sections 9 to 12 of this 2009 Act apply to contributions and**
28 **expenditures made on or after the operative date of this 2009 Act.**

29 **(2) Section 8 of this 2009 Act applies to any written matter, photograph or broadcast re-**
30 **lating to a candidate or measure that is printed, posted, broadcast, mailed, circulated or**
31 **otherwise published on or after the operative date of this 2009 Act.**

32 **SECTION 15. If any part of this 2009 Act is held unconstitutional, the remaining parts**
33 **shall remain in force unless the court specifically finds that the remaining parts, standing**
34 **alone, are incomplete and incapable of being executed.**

35 **SECTION 16. This 2009 Act does not become operative unless the amendment to the**
36 **Oregon Constitution proposed by House Joint Resolution 26 (2009) is approved by the people**
37 **at the regular general election held in November 2010. If House Joint Resolution 26 (2009) is**
38 **approved by the people, this 2009 Act becomes operative on January 1, 2011.**