

House Bill 3458

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**.

Prohibits corporations from making contributions to political candidates or political committees from treasury funds and from making independent expenditures from treasury funds.

A BILL FOR AN ACT

1
2 Relating to campaign finance.

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

4 **SECTION 1. Sections 2 and 3 of this 2009 Act are added to and made a part of ORS**
5 **chapter 260.**

6 **SECTION 2. (1) A corporation, professional corporation or nonprofit corporation may not:**

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

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

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

11 (a) **Contributions from a corporation, professional corporation or nonprofit corporation**
12 **to a political committee organized exclusively to support or oppose a measure; or**

13 (b) **Communications on any subject made by a corporation, professional corporation or**
14 **nonprofit corporation to its shareholders and executive or administrative personnel and their**
15 **families.**

16 (3) **This section does not prohibit the establishment and administration of and solicitation**
17 **of contributions to a political committee to be utilized for political purposes by a corporation,**
18 **professional corporation or nonprofit corporation. The name of a political committee de-**
19 **scribed in this subsection must contain the name of the corporation, professional corporation**
20 **or nonprofit corporation. A political committee described in this subsection may receive**
21 **contributions from the shareholders and executive or administrative personnel of the cor-**
22 **poration, professional corporation or nonprofit corporation and their families.**

23 (4) **A political committee described in subsection (3) of this section:**

24 (a) **May not make a contribution or expenditure by utilizing money or anything of value**
25 **secured through the use of physical force, job discrimination or financial reprisal or by**
26 **threat of the use of physical force, job discrimination or financial reprisal;**

27 (b) **May not make more than two written solicitations of an individual for contributions**
28 **to the political committee per calendar year;**

29 (c) **Shall include in any solicitation for contributions to the political committee a state-**
30 **ment that contributions to the committee are voluntary and that the individual may refuse**
31 **to contribute without any reprisal;**

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 (d) May not solicit contributions to the political committee from individuals while the
2 individuals are on the job during working hours; and

3 (e) May solicit contributions only from the shareholders and executive or administrative
4 personnel of the corporation, professional corporation or nonprofit corporation and their
5 families.

6 (5) This section does not apply to contributions or expenditures made by a nonprofit
7 corporation if the nonprofit corporation:

8 (a) Is formed for the express purpose of promoting political ideas and does not engage in
9 business activities;

10 (b) Does not have shareholders or other persons, other than employees and creditors
11 with no ownership interest, affiliated with the nonprofit corporation in any way that could
12 allow them to make a claim against the assets or earnings of the nonprofit corporation; and

13 (c) Is not established by a corporation or professional corporation and does not accept
14 any contributions from corporations.

15 (6) This section does not apply to expenditures made by a corporation that as its primary
16 purpose operates a broadcasting station or produces a newspaper, magazine or other regu-
17 larly published publication.

18 SECTION 3. The Secretary of State or Attorney General may impose a civil penalty under
19 ORS 260.995 for each violation of section 2 of this 2009 Act not to exceed the greater of \$1,000
20 or three times the amount of the contribution or expenditure made.

21 SECTION 4. Upon petition of any person, original jurisdiction is vested in the Supreme
22 Court of this state to review and determine the constitutionality of this 2009 Act. The Su-
23 preme Court shall have sole and exclusive jurisdiction of proceedings initiated under this
24 section.

25 SECTION 5. Sections 2 and 3 of this 2009 Act apply to contributions and expenditures
26 made on or after the effective date of this 2009 Act.

27