

**Enrolled**  
**Senate Bill 783**

Sponsored by COMMITTEE ON RULES

CHAPTER .....

AN ACT

Relating to campaign finance; creating new provisions; amending ORS 249.865, 260.005, 260.039, 260.041, 260.042, 260.043, 260.044, 260.054, 260.055, 260.056, 260.057, 260.076, 260.083, 260.085, 260.112, 260.118, 260.200, 260.205, 260.215, 260.225, 260.232, 260.255, 260.345, 260.402, 260.407, 260.737 and 260.995; and declaring an emergency.

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

**SECTION 1.** ORS 260.005 is amended to read:

260.005. As used in this chapter:

(1)(a) "Candidate" means:

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

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

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

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

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

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

[(A)] (a) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money, services other than personal services for which no compensation is asked or given, supplies, equipment or any other thing of value:

[(i)] (A) For the purpose of influencing an election for public office or an election on a measure, or of reducing the debt of a candidate for nomination or election to public office or the debt of a political committee; or

[(ii)] **(B)** To or on behalf of a candidate, political committee or measure; [and]  
[(B)] **(b)** Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforceable, to make a contribution; **and**.]

[(b)] **(c)** [Regarding] **The excess value of a contribution made for compensation or consideration of less than equivalent value**, *only the excess value of it shall be considered a contribution*].

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

[(A)] **(a)** Is controlled directly or indirectly by a candidate or a controlled committee; or

[(B)] **(b)** Acts jointly with a candidate or controlled committee.

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

**(5) “Controlled directly or indirectly by a candidate” means:**

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

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

[(5)] **(6)** “County clerk” means the county clerk or the county official in charge of elections.

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

[(7)] **(8)** Except as provided in ORS 260.007, “expend” or “expenditure” includes the payment or furnishing of money or anything of value or the incurring or repayment of indebtedness or obligation by or on behalf of a candidate, political committee or person in consideration for any services, supplies, equipment or other thing of value performed or furnished for any reason, including support of or opposition to a candidate, political committee or measure, or for reducing the debt of a candidate for nomination or election to public office. “Expenditure” also includes contributions made by a candidate or political committee to or on behalf of any other candidate or political committee.

[(8)] **(9)** “Filing officer” means:

(a) The Secretary of State:

(A) Regarding a candidate for public office;

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

(C) Regarding any measure; or

(D) Regarding any political committee.

(b) [Notwithstanding paragraph (a) of this subsection,] In the case of an irrigation district formed under ORS chapter 545, **“filing officer” means:**

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

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

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

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

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

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

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

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

[(b)] (a) “Agent” means any person who has:

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

(B) Been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related activities the person may authorize expenditures.

[(c)] (b)(A) “Clearly identified” means, with respect to candidates:

[(A)] (i) The name of the candidate involved appears;

[(B)] (ii) A photograph or drawing of the candidate appears; or

[(C)] (iii) The identity of the candidate is apparent by unambiguous reference.

[(d)] (B) “Clearly identified” means, with respect to measures:

[(A)] (i) The ballot number of the measure appears;

[(B)] (ii) A description of the measure’s subject or effect appears; or

[(C)] (iii) The identity of the measure is apparent by unambiguous reference.

(c) “Communication in support of or in opposition to a clearly identified candidate or measure” means:

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

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

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

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

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

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

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

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

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

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

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

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

(a) A proposed law.

- (b) An Act or part of an Act of the Legislative Assembly.
- (c) A revision of or amendment to the Oregon Constitution.
- (d) Local, special or municipal legislation.
- (e) A proposition or question.

[(14)] **(15)** “Occupation” means:

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

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

**(17) “Petition committee” means an initiative, referendum or recall petition committee organized under ORS 260.118.**

[(16)(a)] **(18)** “Political committee” means a combination of two or more individuals, or a person other than an individual, that has:

[(A)] **(a)** Received a contribution for the purpose of supporting or opposing a candidate, measure or political party; or

[(B)] **(b)** Made an expenditure for the purpose of supporting or opposing a candidate, measure or political party.

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

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

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

[(17)] **(19)** “Public office” means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.

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

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

[(20)] **(22)** “Regular district election” means the regular district election described in ORS 255.335.

[(21)] **(23)** “Slate mailer” means a mass mailing that supports or opposes a total of three or more candidates or measures.

[(22)(a)] **(24)(a)** “Slate mailer organization” means[, *except as provided in paragraph (b) of this subsection,*] any person who directly or indirectly:

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

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

(b) [*Notwithstanding paragraph (a) of this subsection,*] “Slate mailer organization” does not include:

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

(B) A political committee organized by the caucus of either the Senate or the House of Representatives of the Legislative Assembly.

[(23)] **(25)** “State office” means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public Instruction, state Senator, state Representative, judge or district attorney.

**SECTION 2.** ORS 260.039 is amended to read:

260.039. (1) Except as provided in ORS 260.043, a candidate who serves as the candidate's own treasurer, or the treasurer of the principal campaign committee, shall file a statement of organization with the filing officer. The statement shall include:

(a) The name, address, occupation, office sought and party affiliation of the candidate. The address shall be the address of a residence, office, headquarters or similar location where the candidate may be conveniently located[;].

(b) In the case of a principal campaign committee:

(A) The name and address of the committee. The address shall be the address of a residence, office, headquarters or similar location where the political committee or a responsible officer of the political committee may be conveniently located.

(B) The name, address and occupation of the committee director or directors, if any.

(C) The name and address of the committee treasurer.

(D) The name and address of any other political committee of which two or more committee directors are also directors of the committee filing the statement.[; and]

(c) The name of the financial institution in which the campaign account required under ORS 260.054 is established, the name and number of the account, the name of the account holder and the names of all [persons] **individuals** who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this paragraph except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

(2) A candidate or treasurer may designate [a person] **an individual** to receive any notice provided by a filing officer under ORS chapters 246 to 260. The candidate or treasurer shall include the name and address of the [person] **individual** in the statement of organization filed under this section. A filing officer who provides any notice under ORS chapters 246 to 260 to the candidate or treasurer shall also provide the notice to the [person] **individual** designated by the candidate or treasurer under this subsection.

(3) Except as provided in ORS 260.043, a candidate who serves as the candidate's own treasurer shall file the statement of organization not later than the third business day after the candidate first receives a contribution or makes an expenditure. The treasurer of a principal campaign committee shall file the statement of organization not later than the date specified in ORS 260.035.

(4) Any change in information submitted in a statement of organization under subsection (1) of this section shall be indicated in an amended statement of organization filed not later than the 10th day after the change in information.

(5) Except as provided in ORS 260.043, a candidate who serves as the candidate's own treasurer or the treasurer of the principal campaign committee of the candidate shall file a statement of organization under this section not later than the deadline for the candidate to file a nominating petition or declaration of candidacy under ORS 249.037 or a certificate of nomination under ORS 249.722.

(6) Except as provided in ORS 260.043, a candidate who serves as the candidate's own treasurer or the treasurer of the principal campaign committee of a candidate shall file a new or amended statement of organization not later than the date that the candidate files a nominating petition, declaration of candidacy or certificate of nomination.

**SECTION 3.** ORS 260.041 is amended to read:

260.041. (1) Notwithstanding ORS 260.005 [(16)] **(18)** and except as provided in ORS 260.043, a candidate shall designate a political committee as the candidate's principal campaign committee. A candidate may designate only one political committee as the candidate's principal campaign committee.

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

**SECTION 4.** ORS 260.042 is amended to read:

260.042. (1) The treasurer of a political committee shall file a statement of organization with the filing officer. The statement shall include:

(a) The name, address and nature of the committee. The address shall be the address of a residence, office, headquarters or similar location where the political committee or a responsible officer of the political committee may be conveniently located.

(b) The name, address and occupation of the committee director or directors.

(c) The name and address of the committee treasurer.

(d) The name and address of any other political committee of which two or more committee directors are also directors of the committee filing the statement.

(e) The name, office sought, and party affiliation of each candidate whom the committee is supporting or specifically opposing or intends to support or specifically oppose, when known, or, if the committee is supporting or specifically opposing all the candidates of a given party, the name of that party.

(f) A designation of any measure that the committee is opposing or supporting, or intends to support or oppose.

(g) The name of the financial institution in which the campaign account required under ORS 260.054 is established, the name and number of the account, the name of the account holder and the names of all *[persons]* **individuals** who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this paragraph except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

(h) A statement of whether the committee is a controlled committee.

(2) A treasurer *[shall]* **may** designate *[a person]* **an individual** to receive any notice provided by a filing officer under ORS chapters 246 to 260. The treasurer shall include the name and address of the *[person]* **individual** in a statement of organization filed under this section. A filing officer who provides any notice under ORS chapters 246 to 260 to the treasurer of the political committee shall also provide the notice to the *[person]* **individual** designated by the treasurer under this subsection.

(3) The statement of organization shall be filed not later than the date specified in ORS 260.035.

(4) Any change in information submitted in a statement of organization under subsection (1) of this section shall be indicated in an amended statement of organization filed not later than the 10th day after the change in information.

(5) This section does not apply to a political committee that is a principal campaign committee or to a political committee exclusively supporting or opposing one or more candidates for federal or political party office.

**SECTION 5.** ORS 260.043 is amended to read:

260.043. (1) A candidate who serves as the candidate's own treasurer and who expects neither the aggregate contributions to be received nor the aggregate expenditures to be made by or on behalf of the candidate to exceed ~~[\$300]~~ **\$350** in total amount during a calendar year is not required to:

(a) File a statement of organization under ORS 260.039;

(b) Establish a single exclusive campaign account under ORS 260.054; or

(c) File statements under ORS 260.057.

(2) A candidate described in subsection (1) of this section must keep contribution and expenditure records for the previous 24 months.

(3) If at any time following the filing of a nominating petition, declaration of candidacy or certificate of nomination and during the calendar year either the aggregate contributions or aggregate expenditures exceed ~~[\$300]~~ **\$350**, the candidate shall do all of the following:

(a) File a statement of organization under ORS 260.039.

(b) Establish a single exclusive campaign account as required under ORS 260.054.

(c) File a statement under ORS 260.057 showing all contributions received and expenditures made. The statement shall be filed not later than seven calendar days after aggregate contributions or aggregate expenditures exceed ~~[\$300]~~ **\$350** during a calendar year.

(d) If necessary, file additional statements under ORS 260.057.

(4) This section does not apply to candidates for federal office.

**SECTION 6.** ORS 260.044 is amended to read:

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

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

(3) Notwithstanding ORS 260.005 [(16)] (18), a person who solicits and receives a contribution or contributions is a political committee and shall file a statement of organization under ORS 260.042 and the statements required by ORS 260.057 or 260.076.

(4) For purposes of this section:

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

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

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

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

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

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

**SECTION 7.** ORS 260.054 is amended to read:

260.054. (1) Each political committee shall establish a single exclusive campaign account **and each petition committee organized under ORS 260.118 shall establish a single exclusive petition account** in a financial institution, as defined in ORS 706.008. The financial institution must be located in this state and must ordinarily conduct business with the general public in this state.

(2) A political committee shall maintain the campaign account [*in the financial institution*] in the name of the political committee. **A petition committee shall maintain the petition account in the name of the petition committee.** [*For purposes of this subsection, acronyms may not be used in the name of the political committee.*]

(3) Except as provided in subsection (4) of this section[,]:

(a) All expenditures made by the political committee shall be drawn from the campaign account and:

[(a)] (A) Issued on a check signed by the candidate on whose behalf the account is established, by the treasurer of the political committee or by an individual designated by the candidate **or treasurer;** or

[(b)] (B) Paid using a debit card or other form of electronic transaction.

(b) **All expenditures made by the petition committee shall be drawn from the petition account and:**

(A) **Issued on a check signed by the chief petitioner or treasurer of the petition committee or by an individual designated by the chief petitioner or treasurer; or**

(B) **Paid using a debit card or other form of electronic transaction.**

(4) Subsection (3) of this section does not prohibit a person from making a cash or other expenditure on behalf of the political committee **or petition committee** and receiving reimbursement from the campaign **or petition** account.

[(5) *A contribution received by a candidate or the treasurer of a political committee, directly or indirectly, shall be deposited into the campaign account not later than seven calendar days after the date the contribution is received.*]

(5)(a) **Not later than seven calendar days after the date the contribution is received:**

(A) **A contribution received by a candidate or the treasurer of a political committee, directly or indirectly, shall be deposited into the campaign account.**

(B) **A contribution received by a chief petitioner or treasurer of a petition committee, directly or indirectly, shall be deposited into the petition account.**

(b) This subsection does not apply to in-kind contributions received by a candidate, [or] political committee **or petition committee.**

(6) This section does not prohibit the transfer of any amount deposited in [the] **a campaign or petition** account into a certificate of deposit, stock fund or other investment instrument.

(7) [The] **A campaign or petition** account may not include any private moneys, other than contributions received by the political committee **or petition committee.**

(8) A political committee **or petition committee** shall retain a copy of each financial institution account statement from the campaign **or petition** account described in this section for not less than two years after the date the statement is issued by the financial institution.

(9) [Subsections (1) to (8) of] This section [do] **does** not apply to candidates described in ORS 260.043.

(10) **As used in this section, “contribution” and “expenditure” include a contribution or expenditure to or on behalf of an initiative, referendum or recall petition.**

**SECTION 8.** ORS 260.057, as amended by section 1, chapter 41, Oregon Laws 2008, is amended to read:

260.057. (1) The Secretary of State by rule shall adopt an electronic filing system to be used by:

(a) All candidates and political committees to file with the secretary statements of contributions received and expenditures made by the candidates and political committees, as described in ORS 260.083[; and].

(b) Treasurers [*appointed by the chief petitioners of initiative, referendum or recall petitions*] **of a petition committee organized** under ORS 260.118 to file with the secretary statements of contributions received and expenditures made by the treasurers and chief petitioners **as described in ORS 260.083.**

(2)(a) A candidate for nomination or election at any primary or general election or a political committee supporting or opposing a candidate or measure at any primary or general election shall file a statement described in subsection (1) of this section not later than seven calendar days after a contribution is received or an expenditure is made. This paragraph applies to contributions received and expenditures made during the period beginning on the 42nd calendar day before the date of any primary election and ending on the date of the primary election and the period beginning on the 42nd calendar day before the date of any general election and ending on the date of the general election.

(b) For any special election, the secretary by rule may establish a period during which a candidate for nomination or election at the special election or a political committee supporting or opposing a candidate or measure at the special election must file a statement described in subsection (1) of this section not later than seven calendar days after a contribution is received or an expenditure is made.

(3) Except as provided in subsection (4) of this section, during a period not described in subsection (2) of this section, a candidate or political committee shall file a statement described in subsection (1) of this section not later than 30 calendar days after a contribution is received or an expenditure is made.

(4)(a) If a candidate for nomination or election at any primary election or a political committee supporting or opposing a candidate or measure at any primary election receives a contribution or makes an expenditure prior to the 42nd calendar day before the date of the primary election and the candidate or political committee has not filed a statement of the contribution or expenditure under subsection (3) of this section by the 43rd calendar day before the date of the primary election, the candidate or political committee shall file a statement described in subsection (1) of this section not later than the 35th calendar day before the date of the primary election.



(b) If a candidate for nomination or election at any general election or a political committee supporting or opposing a candidate or measure at any general election receives a contribution or makes an expenditure prior to the 42nd calendar day before the date of the general election and the candidate or political committee has not filed a statement of the contribution or expenditure under subsection (3) of this section by the 43rd calendar day before the date of the general election, the candidate or political committee shall file a statement described in subsection (1) of this section not later than the 35th calendar day before the date of the general election.

(5) The electronic filing system shall be provided free of charge by the secretary and:

(a) Accept electronic files that conform to the format prescribed by the secretary by rule; or

(b) Be compatible with any other electronic filing application provided or approved by the secretary.

(6)(a) Except as provided in paragraph (b) of this subsection, the secretary shall make all data filed electronically under this section **and ORS 260.118** and all information filed with the secretary under ORS [260.044,] 260.045, 260.049, 260.085[,] **or** 260.102 [or 260.118] available on the Internet to the public free of charge according to a schedule adopted by the secretary by rule. The secretary shall make the data available in a searchable database that is easily accessible by the public. When the secretary makes data or information available on the Internet under this subsection, the secretary shall display any contribution received from a person or political committee with an out-of-state address in a different colored font than a contribution received from a person or political committee with an in-state address.

(b) The secretary may not make data that are filed electronically under this section or ORS 260.118 available to the public under this section, unless the data are required to be listed under ORS 260.083. The secretary may not disclose under ORS 192.410 to 192.505 any data that are filed electronically under this section or ORS 260.118, unless the data are required to be listed under ORS 260.083.

(7)(a) Except as provided in paragraph (b) of this subsection, each statement required by this section shall be signed and certified as true by the candidate or treasurer required to file it. Signatures shall be supplied in the manner specified by the secretary by rule.

(b) A candidate or treasurer may designate [a person] **an individual** to sign and certify as true a statement required by this section. The designation must be filed in writing with the secretary and must be renewed for each two-year period beginning January 1 of an even-numbered year.

(8) [Subsections (1) to (7) of] This section [do] **does** not apply to:

(a) Candidates for federal office;

(b) Candidates who are not required to file a statement of organization under ORS 260.043; or

(c) Candidates, [or] political committees [who] **or petition committees that** file certificates under ORS 260.112.

**SECTION 9.** ORS 260.076 is amended to read:

260.076. (1) A legislative official, statewide official or candidate therefor, or the official's or candidate's principal campaign committee, shall file statements showing contributions received by or on behalf of the official, candidate or committee during the period beginning January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending upon adjournment of the regular biennial session of the Legislative Assembly, or during any special session of the Legislative Assembly.

(2) The Governor, Governor-elect or a candidate for Governor, or the principal campaign committee of the Governor, Governor-elect or candidate, shall file statements showing contributions received by or on behalf of the Governor, Governor-elect, candidate or committee during the period beginning January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending 30 business days following adjournment of the regular biennial session of the Legislative Assembly, or during any special session of the Legislative Assembly.

(3) A person or political committee affiliated with a political party, caucus of either house of the Legislative Assembly, legislative official, statewide official or the Governor, Governor-elect or candidate for Governor shall file statements showing contributions received by the person or committee

on behalf of a legislative official, statewide official or candidate therefor, during the period beginning January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending upon adjournment of the regular biennial session of the Legislative Assembly, or during any special session of the Legislative Assembly.

(4) A person or political committee affiliated with a political party, caucus of either house of the Legislative Assembly, legislative official, statewide official or the Governor, Governor-elect or candidate for Governor shall file statements showing contributions received by the person or committee on behalf of the Governor, Governor-elect or candidate for Governor, during the period beginning January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending 30 business days following adjournment of the regular biennial session of the Legislative Assembly, or during any special session of the Legislative Assembly.

(5) A statement described in subsections (1) to (4) of this section shall be filed with the Secretary of State on a form prescribed by the secretary. For contributions received during the period beginning on January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending on the first day of the regular biennial session, a statement shall be filed not later than two business days after the first day of the regular biennial session. For contributions received on or after the first day of the regular biennial session, a statement shall be filed not later than two business days after the date a contribution is received. **For contributions received during any special session of the Legislative Assembly, a statement shall be filed not later than two business days after the date a contribution is received.**

(6) If a statement has been filed under subsections (1) to (4) of this section, the next statement filed by the Governor, Governor-elect, official, candidate, principal campaign committee or other political committee under ORS 260.057 shall include the contributions reported in statements filed under this section.

(7) This section applies notwithstanding the filing of a certificate under ORS 260.112.

(8) As used in this section:

(a) "Legislative official" means any member or member-elect of the Legislative Assembly.

(b) "Statewide official" means the Secretary of State or Secretary of State-elect, State Treasurer or State Treasurer-elect, Superintendent of Public Instruction or Superintendent-elect of Public Instruction, Attorney General or Attorney General-elect and the Commissioner of the Bureau of Labor and Industries or the Commissioner-elect of the Bureau of Labor and Industries.

**SECTION 10.** ORS 260.083 is amended to read:

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

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

(A) The name, occupation and address of each person, and the name and address of each political committee **or petition committee**, that contributed an aggregate amount of more than \$100 in a calendar year on behalf of a candidate or to a political committee **or petition committee** and the total amount contributed by that person or *[political]* committee; and

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

(b) For an expenditure:

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

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

(c) Each loan, whether repaid or not, made by or to the candidate, *[or]* political committee **or petition committee**. The statement shall list:

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

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

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

(2)(a) *[If an expenditure in an amount exceeding \$100 is a prepayment or a deposit made in consideration for any services, supplies, equipment or other thing of value to be performed or furnished at a future date, that portion of the deposit that has been expended shall be listed as an expenditure and the unexpended portion of the deposit shall be listed as an account receivable.]* **A contribution shall be reported as an account receivable only if the contribution is not received within the time specified in ORS 260.057, 260.076 or 260.118.**

**(b) An expenditure shall be reported as an account payable only if the expenditure is not paid within the time specified in ORS 260.057, 260.076 or 260.118.**

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

(4) If a candidate, political committee or *[chief petitioner]* **petition committee** under ORS 260.057 or 260.118 makes an expenditure that must be reported as an in-kind contribution and an expenditure as provided in subsection (3) of this section, the candidate, political committee or *[chief petitioner]* **petition committee** making the original expenditure shall, in any statement filed under ORS 260.057 or 260.118, identify the expenditure as an in-kind contribution and identify the candidate, *[or]* political committee **or petition committee** for whose benefit the expenditure was made.

*[(5) Expenditures made by an agent of a candidate or political committee on behalf of the candidate or committee shall be reported in the same manner as if the expenditures had been made by the candidate or political committee.]*

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

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

*[(8)(a) A vendor who enters into a contract with a candidate or political committee to prepare or produce brochures, mailings, polls, other opinion research or television, radio or newspaper advertising, or to provide mail handling and postage, is not considered an agent of the candidate or political committee for purposes of subsection (5) of this section. The Secretary of State by rule may designate other specific products or services that would qualify a vendor for an exemption from reporting under this subsection.]*

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

*[(9)]* **(6)** As used in this section:[]

**(a)** "Address" has the meaning given that term in rules adopted by the Secretary of State.

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

**SECTION 11.** ORS 260.112 is amended to read:

260.112. (1)(a) A candidate or a treasurer of a political committee who expects neither the aggregate contributions to be received nor the aggregate expenditures to be made by or on behalf of the candidate or political committee to exceed \$2,000 in total amount during the calendar year shall file a certificate to that effect with the Secretary of State. The candidate or treasurer shall make the certificate according to the best of the knowledge or belief of the candidate or treasurer. A candidate or treasurer filing a certificate under this section is not required to file statements under ORS 260.057.

**(b) A treasurer of a petition committee organized under ORS 260.118 who expects neither the aggregate contributions to be received nor the aggregate expenditures to be made by a chief petitioner or the treasurer to exceed \$2,000 in total amount during the calendar year shall file a certificate to that effect with the Secretary of State. The treasurer shall make the certificate according to the best of the knowledge or belief of the treasurer. A treasurer filing a certificate under this section is not required to file statements under ORS 260.118.**

**(2) [The] A certificate described in subsection (1) of this section shall be filed:**

(a) By a candidate, not sooner than the date on which the candidate files a declaration of candidacy or nominating petition, accepts a nomination or is nominated to fill a vacancy in a nomination or in a partisan elective office, and not later than seven calendar days after the candidate receives a contribution or makes an expenditure.

(b) By a treasurer of a political committee, not sooner than the date that the political committee files a statement of organization under ORS 260.042, and not later than seven calendar days after the political committee receives a contribution or makes an expenditure.

**(c) By a treasurer of a petition committee, not sooner than the date that a chief petitioner or the treasurer files a statement of organization under ORS 260.118, and not later than seven calendar days after a chief petitioner or the treasurer receives a contribution or makes an expenditure.**

[2] **(3) A candidate, [or] political committee or petition committee under this section must keep contribution and expenditure records during the calendar year.**

[3] **(4) If at any time following the filing of a certificate under [subsection (1) of] this section and during the calendar year either the aggregate contributions or aggregate expenditures exceed \$2,000, the candidate or treasurer shall do all of the following:**

(a) File a statement under ORS 260.057 **or 260.118** within seven calendar days after either the aggregate contributions or aggregate expenditures exceed \$2,000. The statement *[shall]* **must** reflect all contributions received and expenditures made by or on behalf of the candidate, *[or]* political committee **or petition committee** to that date, beginning January 1 of the calendar year.

(b) If necessary, file additional statements under ORS 260.057 **or 260.118**.

[4] **(5) This section does not apply to a candidate for federal office.**

**(6) As used in this section, “contribution” and “expenditure” include a contribution or expenditure to or on behalf of an initiative, referendum or recall petition.**

**SECTION 12.** ORS 260.118 is amended to read:

260.118. (1) The chief petitioners of an initiative, referendum or recall petition shall appoint a treasurer. The treasurer shall be an elector of this state. Contributions shall be received and expenditures made by or through the treasurer.

(2) The treasurer *[or a chief petitioner]* shall file a statement of organization **of a petition committee** with the appropriate filing officer. The treasurer *[or a chief petitioner]* shall file the statement not later than the third business day after *[the chief petitioners receive]* **a chief petitioner or the treasurer receives** a contribution or *[make]* **makes** an expenditure relating to the initiative, referendum or recall petition. The statement shall include:

(a) The name and address of the chief petitioners.

(b) The name and address of the treasurer appointed under subsection (1) of this section.

(c) A designation of the initiative, referendum or recall petition. The designation of the recall petition shall include the name of the officer whose recall is demanded.

**(d) The name of the financial institution in which the petition account required under ORS 260.054 is established, the name and number of the account, the name of the account holder and the names of all individuals who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this paragraph except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.**

(3) If there is a change in the information submitted in a statement of organization under subsection (2) of this section, the treasurer [*or a chief petitioner*] shall file an amended statement of organization not later than the 10th day after the change in information.

(4) The treasurer of an initiative, referendum or recall petition **committee** shall use the electronic filing system adopted under ORS 260.057 to file with the Secretary of State statements of contributions received and expenditures made by the [*treasurer*] **petition committee**, as described in ORS 260.083.

(5) The treasurer of an initiative petition **committee** shall file a statement described in subsection (4) of this section not later than seven calendar days after a contribution is received or an expenditure is made. This subsection applies to contributions received and expenditures made:

(a) During the period beginning on the 42nd calendar day before the date that is four months before a general election and ending on the date that is four months before a general election; and

(b) During the period beginning on the 42nd calendar day before the date of any primary election and ending on the date of the primary election and the period beginning on the 42nd calendar day before the date of any general election and ending on the date of the general election.

(6) The treasurer of a referendum petition **committee** or a recall petition **committee** shall file a statement described in subsection (4) of this section not later than seven calendar days after a contribution is received or an expenditure is made. This subsection applies:

(a) For a referendum petition **committee**, to contributions received and expenditures made during the period beginning on the date the treasurer is appointed under subsection (1) of this section and ending on the deadline for submitting signatures for verification; and

(b) For a recall petition **committee**, to contributions received and expenditures made during the period beginning on the day after the date on which the statement of contributions received and expenditures made that is required under ORS 249.865 is filed and ending on the deadline for submitting signatures for verification.

(7) Except as provided in subsection (8) of this section, during a period not described in subsection (5) or (6) of this section, a treasurer of an initiative, referendum or recall petition **committee** shall file a statement described in subsection (4) of this section not later than 30 calendar days after a contribution is received or an expenditure is made.

(8) If a treasurer of an initiative petition **committee** receives a contribution or makes an expenditure prior to the 42nd calendar day before the date that is four months before a general election, or the 42nd day before the date of the primary election or general election, and the treasurer has not filed a statement of the contribution or expenditure under subsection (4) of this section by the 43rd calendar day before the date that is four months before a general election, or the 43rd day before the date of the primary election or general election, the treasurer shall file a statement described in subsection (4) of this section not later than the 35th calendar day before the date that is four months before a general election, or the 35th day before the date of the primary election or general election.

(9) For an initiative petition **committee**, the accounting period for the first statement filed under this section begins on the date the treasurer is appointed under subsection (1) of this section.

(10) Each statement required under this section shall be signed and certified as true [*by a chief petitioner or*] by the treasurer. Signatures shall be supplied in the manner specified by the secretary by rule.

**(11) Subsections (4) to (10) of this section do not apply to petition committees that file certificates under ORS 260.112.**

[(11)] **(12)** As used in this section, “contribution” and “expenditure” include a contribution or expenditure to or on behalf of an initiative, referendum or recall petition.

**SECTION 13.** ORS 260.215 is amended to read:

260.215. (1) For statements filed during each calendar year, each filing officer shall examine each statement filed with the filing officer under ORS 260.044 [(1)], 260.057, 260.083, 260.102, 260.112 or 260.118 (4) to determine whether the statement is sufficient. The filing officer shall examine

statements under this section not later than 90 days after the end of each calendar quarter for statements filed during the previous calendar quarter.

(2) The filing officer may require any person to answer in writing and upon oath or affirmation before a judge, justice of the peace, county clerk or notary public any question within the knowledge of that person concerning the source of any contribution. The filing officer shall advise the person of the penalty for failure to answer.

(3)(a) For statements filed during each calendar year, in addition to the requirements of **this section and ORS 260.205** [and this section], the Secretary of State shall review statements filed with the secretary under ORS 260.057 by [the principal campaign committees of all candidates for nomination or election to state office] **a candidate, political committee or petition committee**. For each review, the secretary shall require a candidate, [or] treasurer of a political committee **or treasurer of a petition committee** to provide documentation of not more than [eight] **10** transactions.

(b) **The secretary by rule shall designate a method by which the statements filed by a candidate or committee shall be randomly selected for review under this subsection.** The secretary shall review statements under this subsection [on a quarterly basis] **twice in a calendar year**.

[c) As used in this subsection, “state office” does not include the office of judge or district attorney.]

**SECTION 14.** ORS 260.225 is amended to read:

260.225. (1) Upon the petition of the Secretary of State or an elector, or of any other filing officer with whom a statement is required to be filed, the circuit court for the county in which the principal office of the filing officer is located may compel a candidate, treasurer or person who fails to file a statement required to be filed with the filing officer under ORS 260.044 [(1)], 260.057, 260.076, 260.083, 260.102, 260.112 or 260.118, or who files with the filing officer an insufficient statement, to file with the filing officer a proper statement. The petition shall be filed with the circuit court not later than the 90th day after the date the statement is filed or should have been filed.

(2) If the court determines that a petition filed under this section is frivolous or the court does not compel the filing of any statement, the candidate, treasurer or person against whom the petition was filed is entitled to recover reasonable attorney fees at trial and on appeal.

**SECTION 15.** ORS 260.232 is amended to read:

260.232. (1) The Secretary of State may impose a civil penalty as provided in this section, in addition to any other penalty that may be imposed, for:

(a) Failure to file a statement or certificate required to be filed under ORS 260.044 [(1)], 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118.

(b) Failure to include in a statement filed under ORS 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118 the information required under ORS 260.057, 260.076, 260.083, 260.102 or 260.118.

(2)(a) If a person required to file has not filed a statement or certificate complying with applicable provisions of ORS 260.044 [(1)], 260.057, 260.076, 260.078, 260.083, 260.085, 260.102, 260.112 or 260.118 within the time specified in ORS **260.044**, 260.057, 260.076, 260.078 or 260.118, the Secretary of State by certified mail shall notify the person that a penalty may be imposed and that the person has 20 days to request a hearing before the Secretary of State.

(b) If the person required to file is a candidate or the principal campaign committee of a candidate, the Secretary of State shall send the notice described in **paragraph (a)** of this subsection by certified mail to the individual who is the candidate and by first class mail to the candidate’s treasurer or the treasurer of the candidate’s principal campaign committee. The notice sent by certified mail to the individual who is a candidate shall be used for purposes of determining the deadline for requesting a hearing under subsection (3) of this section. The Secretary of State is not required to send two notices if the candidate serves as the treasurer of the candidate’s principal campaign committee.

(3) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation shall be held by the Secretary of State:

(a) Upon request of the person against whom the penalty may be assessed, if the request is made not later than the 20th day after the person received the notice sent under subsection (2) of this section;

(b) Upon request of the filing officer with whom a statement or certificate was required to be filed but was not filed; or

(c) Upon the Secretary of State's own motion.

(4) A hearing under subsection (3) of this section shall be held not later than [30] **45** days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection (3) of this section shall be held not later than [45] **60** days after the deadline for the person against whom the penalty may be assessed to request a hearing.

(5) The Secretary of State shall issue an order not later than 90 days after a hearing or after the deadline for requesting a hearing if no hearing is held.

(6) The person against whom a penalty may be assessed need not appear in person at a hearing held under this section, but instead may submit written testimony and other evidence, subject to the penalty for false swearing, to the Secretary of State for entry in the hearing record. The testimony and other evidence must be received by the secretary not later than three business days before the day of the hearing.

(7) A civil penalty imposed under this section may not be more than **the following**:

(a) [~~\$10,000~~] For failure to file a statement or certificate required to be filed under ORS 260.044 [(1)], 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118, **10 percent of the total amount of the contribution or expenditure required to be included in the statement or certificate**; or

(b) [~~\$10,000~~] For each failure to include in a statement filed under ORS 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118 the information required under ORS 260.057, 260.076, 260.083, 260.102 or 260.118, **10 percent of the total amount of the contribution or expenditure required to be included in the statement**.

(8) The Secretary of State, upon a showing of mitigating circumstances, may reduce the amount of the penalty described in subsection (7) of this section.

(9) Except as otherwise provided by this section, civil penalties under this section shall be imposed as provided in ORS 183.745.

**SECTION 16.** ORS 260.402 is amended to read:

260.402. (1) A person may not make a contribution in any name other than that of the person who in truth provides the contribution to:

(a) Any other person, relating to a nomination or election of any candidate or the support of or opposition to any measure;

(b) Any political committee; or

(c) A [*chief petitioner of an initiative, referendum or recall petition or a treasurer*] **petition committee** required to file a statement under ORS 260.118.

(2) Except as provided in subsection (3) of this section, a person, political committee[, *chief petitioner or treasurer*] **or petition committee** may not knowingly receive a contribution prohibited under subsection (1) of this section or enter or cause the contribution to be entered in accounts or records in another name than that of the person by whom it was actually provided.

(3) If a person receives a contribution from a political committee, the person may enter the contribution into accounts or records as received from the political committee.

**SECTION 17.** ORS 260.407 is amended to read:

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

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

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

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

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

[(2)] (b) [*Notwithstanding subsection (1) of this section,*] Amounts received as contributions by a candidate or **the principal campaign committee of a candidate** for public office that are in excess of any amount necessary to defray campaign expenditures and other funds donated to a holder of public office may not be:

[(a)] (A) Converted by any person to any personal use other than to defray any expenses incurred in connection with the person's duties as a holder of public office or to repay to a candidate any loan the proceeds of which were used in connection with the candidate's campaign;

[(b)] (B) Except as provided in this [*paragraph*] **subparagraph**, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this [*subsection*] **paragraph** may be used to pay a civil penalty imposed under this chapter, other than a civil penalty imposed for a violation of this section or ORS 260.409; or

[(c)] (C) Except as provided in this [*paragraph*] **subparagraph**, used to pay any legal expenses incurred by the candidate or public official in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a candidate or public official. Contributions described in this [*subsection*] **paragraph** may be used to pay legal expenses incurred by the candidate or public official in connection with a legal proceeding brought under this chapter, other than a proceeding brought under this section or ORS 260.409.

(2)(a) **Except as provided in paragraph (b) of this subsection, amounts received as contributions by a political committee that is not a principal campaign committee that are in excess of any amount necessary to defray expenditures may be:**

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

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

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

(D) **Used for any other lawful purpose.**

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

(A) **Converted by any person to any personal use;**

(B) **Except as provided in this subparagraph, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this subsection may be used to pay a civil penalty imposed under this chapter, other than a civil penalty imposed for a violation of this section or ORS 260.409; or**

(C) **Except as provided in this subparagraph, used to pay any legal expenses incurred by a treasurer or director of a political committee in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a treasurer or director. Contributions described in this subsection may be used to pay legal expenses incurred by a treasurer or director in connection with a legal proceeding brought under this chapter, other than a proceeding brought under this section or ORS 260.409.**

(3)(a) **Except as provided in paragraph (b) of this subsection, amounts received as contributions by a chief petitioner or treasurer of a petition committee organized under ORS 260.118 that are in excess of any amount necessary to defray expenditures may be:**

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



- (B) Transferred to any national, state or local political committee of any political party;
- (C) Contributed to any organization described in section 170(c) of the Internal Revenue Code or to any charitable corporation as defined in ORS 128.620; or
- (D) Used for any other lawful purpose.

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

(A) Converted by any person to any personal use;

(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contributions described in this subsection may be used to pay a civil penalty imposed under this chapter, other than a civil penalty imposed for a violation of this section or ORS 260.409; or

(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a chief petitioner or treasurer in any civil, criminal or other legal proceeding or investigation that relates to or arises from the course and scope of the duties of the person as a chief petitioner or treasurer. Contributions described in this subsection may be used to pay legal expenses incurred by a chief petitioner or treasurer in connection with a legal proceeding brought under this chapter, other than a proceeding brought under this section or ORS 260.409.

[3] (4) As used in this section:

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

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

(b) (c) “Public office” does not include national or political party office.

**SECTION 18.** ORS 260.737 is amended to read:

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

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

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

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#### NOTICE TO VOTERS

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

CANDIDATES AND MEASURES MARKED WITH AN \* PAID FOR APPEARANCE IN THIS DOCUMENT.

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

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

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

(4) The Secretary of State by rule may define the term “payment” as used in this section and ORS 260.005 [(22)] **(24)** and 260.735.

**SECTION 19.** ORS 260.995 is amended to read:

260.995. (1) Except as provided in subsection (2) of this section, following an investigation under ORS 260.345, the Secretary of State or Attorney General may impose a civil penalty not to exceed \$250 for each violation of any provision of Oregon Revised Statutes relating to the conduct of any election, any rule adopted by the secretary under ORS chapters 246 to 260 or any other matter preliminary to or relating to an election, for which no penalty is otherwise provided.

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

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

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

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

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

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

(4) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation shall be held by the secretary or Attorney General:

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

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

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

(6) All hearings under this section shall be held not later than [30] **45** days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection (4) of this section shall be held not later than [45] **60** days after the deadline for the person against whom the penalty may be assessed to request a hearing.

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

(8) All penalties recovered under this section shall be paid into the State Treasury and credited to the General Fund.

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

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

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

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

**SECTION 20.** ORS 249.865 is amended to read:

249.865. (1) Pursuant to section 18, Article II of the Oregon Constitution, an elector of the electoral district from which the public officer is elected may file a petition demanding the recall of the public officer. Before the petition is circulated for signatures, the chief petitioner of the petition shall file with the officer authorized to order the recall election[:]

[*(a)*] a copy of the prospective petition signed by the chief petitioner[;].

[*(b)*] *A statement of organization described in ORS 260.118; and*

[*(c)*] *A statement conforming to ORS 260.083 of contributions received and expenditures made by or on behalf of the chief petitioner and political committee the chief petitioner represents, if any, to the date of filing the prospective petition.*]

(2) The chief petitioner shall include with the prospective petition a statement declaring whether one or more persons will be paid money or other valuable consideration for obtaining signatures of electors on the recall petition. After the prospective petition is filed, the chief petitioner shall notify the filing officer not later than the 10th day after the chief petitioner first has knowledge or should have had knowledge that:

(a) Any person is being paid for obtaining signatures, when the statement included with the prospective petition declared that no such person would be paid.

(b) No person is being paid for obtaining signatures, when the statement included with the prospective petition declared that one or more such persons would be paid.

(3) Each sheet of the recall petition must contain:

(a) The words "Petition for recall of," (name and title of officer) and the date of the filing under subsection (1) of this section; and

(b) The name and address of the treasurer or the chief petitioner listed on the statement of organization filed under subsection (1) of this section.

(4) Not more than 20 signatures on each sheet of the recall petition shall be counted. The circulator shall certify on each signature sheet that the circulator:

(a) Witnessed the signing of the signature sheet by each individual whose signature appears on the signature sheet; and

(b) Believes each individual is an elector.

(5) Any intentional or willful violation of subsection (1) or (2) of this section by a chief petitioner of the recall petition or by the treasurer listed on the statement of organization filed under subsection (1) of this section invalidates the prospective petition before it is circulated for signatures.

**SECTION 21.** ORS 260.055 is amended to read:

260.055. (1) Each candidate, other than a candidate for political party office, [*and*] the treasurer of each political committee **and the treasurer of each petition committee** shall keep detailed accounts. The accounts shall be current as of not later than the seventh calendar day after the date of receiving a contribution or making an expenditure[, *of*] **with respect to** all contributions received and all expenditures made by or on behalf of the candidate or [*political*] committee that are required to be reported under ORS 260.057, 260.076 or 260.078. Subject to ORS 260.085, the accounts shall list all information required to be reported under ORS 260.083.

(2) Accounts kept by a candidate or the treasurer of a political committee may be inspected under reasonable circumstances at any time before the election to which the accounts refer or during the period specified for retention of the accounts under subsection (3) of this section by any opposing candidate or the treasurer of any political committee for the same electoral contest. The right of inspection may be enforced by writ of mandamus issued by any court of competent jurisdiction. The treasurers of political committees supporting a candidate may be joined with the candidate as defendants in a mandamus proceeding.

(3) Accounts kept by a candidate or treasurer shall be preserved by the candidate or treasurer for at least two years after the date [*of the election to which the accounts refer or at least two years after the date the last statement is filed under ORS 260.057, whichever is later*] **the statement of the contribution or expenditure is filed under ORS 260.057.**

(4)(a) Before the last statement is filed under ORS 260.057, a candidate, political committee or petition committee shall file with the Secretary of State a notice of intent to discontinue the statement of organization of the candidate or committee and close accounts. Upon receipt of the notice, the secretary shall examine each statement filed by the candidate or committee under ORS 260.044, 260.057, 260.083, 260.102, 260.112 or 260.118 to determine whether the statement is sufficient.

(b) Not later than 90 days after receipt of the notice of intent, the secretary shall notify the candidate, political committee or petition committee that the statements are sufficient or that a statement is insufficient or otherwise may violate a law or rule. The notice shall include a description of the provisions of ORS 260.407.

(c) If, after a candidate, political committee or petition committee files a notice of intent to discontinue the statement of organization of the candidate or committee and close accounts, the candidate or committee files an additional statement under ORS 260.044, 260.057, 260.083, 260.102, 260.112 or 260.118, the secretary has 90 days following the date the additional statement is filed to examine the statement and send a notification described in paragraph (b) of this subsection.

(d) When a candidate, political committee or petition committee files the last statement under ORS 260.057, the secretary shall conduct a final review. If the secretary determines that all statements filed are sufficient, the secretary shall notify the candidate, political committee or petition committee. Upon receipt of the notice, the candidate or committee may discontinue the statement of organization of the candidate, political committee or petition committee and close accounts.

**SECTION 22.** ORS 260.205 is amended to read:

260.205. (1) A filing officer shall inspect each statement filed under ORS 260.057, 260.083, 260.102, 260.112 or 260.118 not later than the 10th business day after the filing deadline or the 10th business day after the statement is filed, whichever is later.

(2) A filing officer immediately shall notify a person required to file a statement with the filing officer under ORS 260.057, 260.083, 260.102, 260.112 or 260.118 if:

(a) Upon examination of relevant materials, it appears to the filing officer that the person has failed to file a required statement or that a statement filed with the filing officer by the person is insufficient; or

(b) A complaint is filed with the filing officer under subsection (3) of this section.

(3) An elector may file with a filing officer a complaint that a statement filed with the filing officer is insufficient or that a person has failed to file a required statement. The complaint shall be in writing, shall state in detail the reasons for complaint and shall be filed with the filing officer not later than the 90th day after the date the statement of which it complains is filed or should have been filed.

**(4) If upon receiving notification under subsection (2) of this section a person responds by filing a statement or submitting information to correct an insufficient statement, the filing officer shall confirm whether the person's response is sufficient not later than 90 days after receiving the response. If, within 90 days, the filing officer does not confirm whether a response is sufficient under this subsection, the person is not subject to civil penalty under ORS 260.232 for failure to file or failure to include the required information in the statement.**

**SECTION 23.** ORS 260.345 is amended to read:

260.345. (1) Any elector may file with any filing officer a written complaint alleging that a violation of an election law or rule adopted by the Secretary of State under ORS chapters 246 to 260 has occurred and stating the reason for believing that the violation occurred and any evidence relating to it. A complaint alleging a violation involving the Secretary of State, a candidate for the office of Secretary of State, or any political committee or person supporting the Secretary of State or a candidate for the office of Secretary of State may be filed with the Attorney General. The Secretary of State or Attorney General shall not accept an anonymous complaint.

(2) The Secretary of State by rule shall prescribe the procedure for processing a complaint filed with any person other than the Secretary of State. If the complaint concerns the Secretary of State, any candidate for the office of the Secretary of State, or any political committee or person supporting the candidacy of the Secretary of State or of another person for the office of Secretary of State, the complaint and any additional information relating to the complaint shall be sent to the Attorney General.

(3) Upon receipt of a complaint under subsection (1) or (2) of this section the Secretary of State or Attorney General immediately shall examine the complaint to determine whether a violation of an election law or rule has occurred and shall make any investigation the Secretary of State or Attorney General considers necessary. Except as provided in this subsection, within 48 hours of receiving a complaint under subsection (1) or (2) of this section, the Secretary of State or Attorney General shall notify the person who is the subject of the complaint that a complaint has been received. If the Secretary of State or Attorney General receives a complaint or complaints involving 25 or more individuals, [or] political committees **or petition committees** in any 24-hour period, the Secretary of State or Attorney General need not notify the persons who are the subjects of those complaints within 48 hours of receiving the complaints but shall notify those persons not later than 10 business days after receiving the complaint or complaints.

(4) If the Secretary of State believes after an investigation under subsection (3) of this section that a violation of an election law or rule has occurred, the secretary:

(a) In the case of a violation that is subject to a penalty under ORS 260.993, immediately shall report the findings to the Attorney General and request prosecution. If the violation involves the Attorney General, a candidate for that office or a political committee or person supporting or opposing the Attorney General or a candidate for that office, the Secretary of State shall appoint another prosecutor for that purpose; or

(b) In the case of a violation not subject to a penalty under ORS 260.993, may impose a civil penalty under ORS 260.995.

(5) Upon receipt of a complaint or report under subsection (1), (2) or (4) of this section involving an alleged violation subject to a penalty under ORS 260.993, the Attorney General or other prosecutor immediately shall examine the complaint or report to determine whether a violation of an election law has occurred. If the Attorney General or prosecutor determines that a violation has occurred, the Attorney General or prosecutor immediately shall begin prosecution in the name of the state. The Attorney General or other prosecutor shall have the same powers in any county of this state as the district attorney for the county.

(6) Upon receipt of a complaint under subsection (1) or (2) of this section involving an alleged violation of an election law or rule not subject to a penalty under ORS 260.993, the Attorney General shall examine the complaint to determine whether a violation of an election law or rule has occurred and shall make any investigation the Attorney General considers necessary. If the Attorney General believes after an investigation that a violation of an election law or rule has occurred, the Attorney General may impose a civil penalty under ORS 260.995.

(7) In the case of an alleged violation subject to a civil penalty under ORS 260.995, a complaint shall be filed by an elector under this section no later than 90 days following the election at which a violation of an election law or rule is alleged to have occurred, or 90 days following the date the violation of an election law or rule is alleged to have occurred, whichever is later.

(8) A filing officer having reason to believe that a violation of an election law or rule has occurred shall proceed promptly as though the officer had received a complaint. **Except as provided in section 25 of this 2009 Act**, a filing officer shall proceed under this subsection no later than two years following the election at which a violation of an election law or rule is alleged to have occurred, or two years following the date the violation of an election law or rule is alleged to have occurred, whichever is later. If a filing officer has not proceeded within two years because of fraud, deceit, misleading representation or the filing officer could not have reasonably discovered the alleged violation, the filing officer shall proceed no later than five years following the election at

which a violation of an election law or rule is alleged to have occurred, or five years following the date the violation of an election law or rule is alleged to have occurred, whichever is later.

**SECTION 24.** Sections 25 and 26 of this 2009 Act are added to and made a part of ORS chapter 260.

**SECTION 25.** (1) A filing officer having reason to believe that a violation of an election law or rule for which a civil penalty may be imposed under ORS 260.232 has occurred shall proceed promptly as though the officer had received a complaint under ORS 260.345 and, not later than two years following the date the violation is alleged to have occurred, shall:

(a) Determine whether a violation occurred; and

(b) If a penalty is to be imposed, notify the person alleged to have committed the violation in the manner described in ORS 260.232 (2).

(2) Not later than 90 calendar days after receiving payment for a penalty imposed under ORS 260.232 or receiving other information in response to a notification under subsection (1) of this section, the Secretary of State shall send a notice to the person stating whether the response or payment received is sufficient.

**SECTION 26.** (1) If a candidate, political committee or petition committee receives updated information that an in-kind contribution received from another candidate, political committee or petition committee reported in a statement filed under ORS 260.057, 260.076 or 260.118 is inaccurate or otherwise insufficient, the candidate, political committee or petition committee that received the in-kind contribution shall, without penalty, file an updated statement with the Secretary of State:

(a) Not later than the date that the statement is required to be filed under ORS 260.057, 260.076 or 260.118; or

(b) If the filing deadline has passed, not later than 30 calendar days after the candidate, political committee or petition committee received the updated information.

(2) This section does not apply to a candidate, political committee or petition committee that knew or reasonably should have known that the information reported in the statement originally filed under ORS 260.057, 260.076 or 260.118 was inaccurate or insufficient at the time of filing.

**SECTION 27.** ORS 260.056 is amended to read:

260.056. (1) A loan made by or to a candidate, [or] political committee **or petition committee** must be by written agreement.

(2) A candidate, [or] political committee **or petition committee** shall keep a copy of any written loan agreement with the detailed accounts of the candidate or [political] committee required under ORS 260.055.

(3) Notwithstanding ORS 260.055, a candidate, [or] political committee **or petition committee** shall preserve a written loan agreement until the loan is repaid.

**SECTION 28.** ORS 260.085, as amended by section 4, chapter 41, Oregon Laws 2008, is amended to read:

260.085. (1) An account required by ORS 260.055 and a statement required by ORS 260.083 to list the occupation of a contributor must list the occupation of the contributor in the account and on the first statement filed under ORS 260.057 or 260.076 after the contribution is received if the occupation is known to the candidate, [or] political committee **or petition committee** filing the statement.

(2) If an account required by ORS 260.055 or a statement required by ORS 260.083 to list the occupation of a contributor does not list the occupation of the contributor as required by ORS 260.055 or on the first statement filed under ORS 260.057 or 260.076 after the contribution is received, the candidate, [or] political committee **or petition committee** shall file with the account and with the statement filed under ORS 260.057 documentation of a written request to the contributor to furnish the contributor's occupation.

(3) If a candidate, [or] political committee **or petition committee** receives a contribution that does not identify the occupation of the contributor, the candidate or [political] committee shall make

a written request to the contributor to furnish the occupation of the contributor within seven calendar days after receiving the contribution. A written request under this subsection may be sent by electronic mail.

(4) If a candidate, [or] political committee **or petition committee** receives information identifying the occupation of a contributor after making a written request under subsection (3) of this section, the candidate or [political] committee, within seven calendar days after receiving the information, shall include the contributor's occupation in the account kept under ORS 260.055 and in the contributor's entry filed under ORS 260.057.

**SECTION 29.** ORS 260.200 is amended to read:

260.200. The Secretary of State by rule shall:

(1) Prescribe a uniform system for accounts required by ORS 260.055.

(2) Prescribe forms for statements and other information required under this chapter to be filed with filing officers, and furnish those forms to persons required to file those statements and other information.

(3) Prescribe materials, including financial institution account statements and copies of checks, that a candidate, [or] political committee **or petition committee** must retain or provide to the secretary for purposes of administering or enforcing the provisions of this chapter. The secretary shall prescribe personal or confidential information that is not required to be disclosed under this subsection.

**SECTION 30.** ORS 260.255 is amended to read:

260.255. (1) Except as provided in subsection (2) of this section, a filing officer shall preserve each statement filed with the officer under ORS 260.057, 260.076, 260.083, 260.102, 260.112 or 260.118, or an accurate copy of it, for at least six calendar years.

(2) The Secretary of State shall maintain all data filed electronically under ORS 260.057 on the Internet for at least six calendar years after the date the secretary first makes the data available. After six calendar years, if the data are not maintained on the Internet, the secretary shall *[archive the data in a secure format so that the data are available to the public. This subsection does not apply to data that may not be made available to the public under ORS 260.057 (6)(b).]* **retain and dispose of the data in a manner prescribed by the State Archivist. The State Archivist shall consider the value of the data for legal, administrative or research purposes and shall establish rules for procedures for the retention and disposition of data described in this section.**

**SECTION 31.** (1) The amendments to ORS 260.054 and 260.118 by sections 7 and 12 of this 2009 Act apply to petition committees for which a statement of organization is filed prior to, on or after January 1, 2010.

(2) A petition committee for which a statement of organization was filed prior to January 1, 2010, and whose filing remains active on January 1, 2010, shall:

(a) Comply with the requirements of ORS 260.054 as amended by section 7 of this 2009 Act not later than January 1, 2010; and

(b) Amend the statement of organization filed by the petition committee under ORS 260.118 to contain any information required under ORS 260.118 as amended by section 12 of this 2009 Act, not later than January 1, 2010.

**SECTION 32.** (1) The amendments to ORS 260.043 and 260.112 by sections 5 and 11 of this 2009 Act apply to contributions received or expenditures made on or after January 1, 2010.

(2) The amendments to ORS 260.407 by section 17 of this 2009 Act apply to expenditures or distributions of contributions made on or after January 1, 2010.

(3) The amendments to ORS 260.215 by section 13 of this 2009 Act apply to statements filed on or after January 1, 2010.

(4) The amendments to ORS 260.232 and 260.995 by sections 15 and 19 of this 2009 Act apply to violations of any provision of ORS chapter 260 or other activities occurring on or after January 1, 2010.

(5) The amendments to ORS 249.865 by section 20 of this 2009 Act apply to recall petitions filed on or after January 1, 2010.

(6) The amendments to ORS 260.055 (3) by section 21 of this 2009 Act apply to statements filed before, on or after January 1, 2010.

(7) The amendments to ORS 260.205 by section 22 of this 2009 Act apply to notifications sent by a filing officer on or after January 1, 2010.

(8) Section 25 of this 2009 Act and the amendments to ORS 260.345 by section 23 of this 2009 Act apply to violations of provisions of ORS chapter 260 occurring on or after January 1, 2010.

(9) Section 26 of this 2009 Act applies to information received by a candidate, political committee or treasurer of a petition committee on or after January 1, 2010.

(10) The amendments to ORS 260.255 by section 30 of this 2009 Act apply to data retained by the Secretary of State on and after January 1, 2010.

(11) Nothing in this 2009 Act is intended to affect any action, proceeding or prosecution begun before and pending on January 1, 2010. The action, proceeding or prosecution may be conducted and completed in the same manner and under the same terms and conditions and with the same effect as though it had been undertaken and completed before January 1, 2010.

(12) Nothing in this 2009 Act relieves a person of an obligation with respect to a fine or other charge, penalty or other liability, duty or obligation arising prior to January 1, 2010. Collection and enforcement of any such fine, charge, penalty or other liability, duty or obligation may be conducted and completed in the same manner and under the same terms and conditions and with the same effect as though it had been undertaken and completed before January 1, 2010.

**SECTION 33.** Sections 25 and 26 of this 2009 Act and the amendments to ORS 249.865, 260.005, 260.039, 260.041, 260.042, 260.043, 260.044, 260.054, 260.055, 260.056, 260.057, 260.083, 260.085, 260.112, 260.118, 260.200, 260.205, 260.215, 260.225, 260.232, 260.255, 260.345, 260.402, 260.407, 260.737 and 260.995 by sections 1 to 8, 10 to 23 and 27 to 30 of this 2009 Act become operative on January 1, 2010.

**SECTION 34.** The Secretary of State may take any action before January 1, 2010, that is necessary to enable the secretary to exercise, on and after January 1, 2010, all the duties, functions and powers conferred upon the secretary by the amendments to ORS 249.865, 260.005, 260.039, 260.041, 260.042, 260.043, 260.044, 260.054, 260.057, 260.083, 260.112, 260.118, 260.215, 260.225, 260.232, 260.402, 260.407, 260.737 and 260.995 by sections 1 to 8 and 10 to 20 of this 2009 Act.

**SECTION 35.** The State Archivist may take any action before January 1, 2010, that is necessary to enable the State Archivist to exercise, on and after January 1, 2010, all the duties, functions and powers conferred upon the State Archivist by the amendments to ORS 260.255 by section 30 of this 2009 Act.

**SECTION 36.** This 2009 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect on its passage.



**Passed by Senate June 27, 2009**

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Secretary of Senate

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President of Senate

**Passed by House June 29, 2009**

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Speaker of House

**Received by Governor:**

.....M,....., 2009

**Approved:**

.....M,....., 2009

.....  
Governor

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

.....M,....., 2009

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Secretary of State