

# Senate Bill 783

Sponsored by COMMITTEE ON RULES

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Defines "petition committee" as chief petitioner or treasurer of initiative, referendum or recall petition who files statement of organization with Secretary of State.

Requires treasurer of petition committee to establish single exclusive petition account in financial institution. Directs petition committee to make all expenditures, with specified exceptions, through petition account. Directs treasurer to deposit all contributions in petition account. Prohibits deposit of other moneys in petition account. Requires chief petitioner or treasurer to maintain petition account in name of petition committee. Requires treasurer to specify location and name of petition account in statement of organization. Directs existing petition committee to establish petition account and amend statement of organization not later than January 1, 2010.

Allows treasurer of petition committee who expects neither contributions nor expenditures to be received or made by chief petitioner or treasurer to exceed \$2,000 to file certificate with Secretary of State.

Limits use of contributions received by political committee that is not principal campaign committee and by petition committee.

Becomes operative on January 1, 2010.

Declares emergency, effective on passage.

## A BILL FOR AN ACT

1  
2 Relating to campaign finance; creating new provisions; amending ORS 249.865, 260.005, 260.039,  
3 260.041, 260.042, 260.043, 260.044, 260.054, 260.057, 260.076, 260.083, 260.112, 260.118, 260.215,  
4 260.225, 260.232, 260.402, 260.407, 260.737 and 260.995; and declaring an emergency.

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

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

7 260.005. As used in this chapter:

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

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

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

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

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

23 (2) "Committee director" means any person who directly and substantially participates in

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 decision-making on behalf of a political committee concerning the solicitation or expenditure of  
 2 funds and the support of or opposition to candidates or measures. The officers of a political party  
 3 shall be considered the directors of any political party committee of that party, unless otherwise  
 4 provided in the party's bylaws.

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

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

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

12 [(ii)] (B) To or on behalf of a candidate, political committee or measure; [and]

13 [(B)] (b) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally en-  
 14 forceable, to make a contribution; and[.]

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

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

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

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

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

22 (5) **"Controlled directly or indirectly by a candidate" means:**

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

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

28 [(5)] (6) "County clerk" means the county clerk or the county official in charge of elections.

29 [(6)] (7) "Elector" means an individual qualified to vote under section 2, Article II of the Oregon  
 30 Constitution.

31 [(7)] (8) Except as provided in ORS 260.007, "expend" or "expenditure" includes the payment or  
 32 furnishing of money or anything of value or the incurring or repayment of indebtedness or obligation  
 33 by or on behalf of a candidate, political committee or person in consideration for any services,  
 34 supplies, equipment or other thing of value performed or furnished for any reason, including support  
 35 of or opposition to a candidate, political committee or measure, or for reducing the debt of a can-  
 36 didate for nomination or election to public office. "Expenditure" also includes contributions made  
 37 by a candidate or political committee to or on behalf of any other candidate or political committee.

38 [(8)] (9) "Filing officer" means:

39 (a) The Secretary of State:

40 (A) Regarding a candidate for public office;

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

42 (C) Regarding any measure; or

43 (D) Regarding any political committee.

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

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

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

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

8 [(9)] (10) "Independent expenditure" means an expenditure by a person for a communication in  
9 support of or in opposition to a clearly identified candidate or measure that is not made with the  
10 cooperation or with the prior consent of, or in consultation with, or at the request or suggestion  
11 of, a candidate or any agent or authorized committee of the candidate, or any political committee  
12 or agent of a political committee supporting or opposing a measure. For purposes of this subsection:

13 [(a)] *A communication is "in support of or in opposition to" a candidate or measure if:*

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

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

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

19 [(b)] (a) "Agent" means any person who has:

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

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

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

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

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

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

30 [(d)] (B) "Clearly identified" means, with respect to measures:

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

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

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

34 (c) **"Communication in support of or in opposition to a clearly identified candidate or**  
35 **measure" means:**

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

39 (B) **The communication, as a whole, seeks action rather than simply conveying informa-**  
40 **tion; and**

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

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

45 (A) Means any arrangement, coordination or direction by the candidate or the candidate's agent,

1 or by any political committee or agent of a political committee supporting or opposing a measure,  
 2 prior to the publication, distribution, display or broadcast of the communication. An expenditure  
 3 shall be presumed to be so made when it is:

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

8 (ii) Made by or through any person who is or has been authorized to raise or expend funds, who  
 9 is or has been an officer of a political committee authorized by the candidate or by a political  
 10 committee or agent of a political committee supporting or opposing a measure, or who is or has been  
 11 receiving any form of compensation or reimbursement from the candidate, the candidate's principal  
 12 campaign committee or agent or from any political committee or agent of a political committee  
 13 supporting or opposing a measure.[: and]

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

16 [(10)] (11) "Initiative petition" means a petition to initiate a measure for which a prospective  
 17 petition has been filed but that is not yet a measure.

18 [(11)] (12) "Judge" means judge of the Supreme Court, Court of Appeals, circuit court or the  
 19 Oregon Tax Court.

20 [(12)] (13) "Mass mailing" means more than 200 substantially similar pieces of mail, but does  
 21 not include a form letter or other mail that is sent in response to an unsolicited request, letter or  
 22 other inquiry.

23 [(13)] (14) "Measure" includes any of the following submitted to the people for their approval  
 24 or rejection at an election:

25 (a) A proposed law.

26 (b) An Act or part of an Act of the Legislative Assembly.

27 (c) A revision of or amendment to the Oregon Constitution.

28 (d) Local, special or municipal legislation.

29 (e) A proposition or question.

30 [(14)] (15) "Occupation" means:

31 (a) The nature of an individual's principal business; and

32 (b) If the individual is employed by another person, the business name and address, by city and  
 33 state, of the employer.

34 [(15)] (16) "Person" means an individual, corporation, limited liability company, labor organiza-  
 35 tion, association, firm, partnership, joint stock company, club, organization or other combination of  
 36 individuals having collective capacity.

37 (17) "**Petition committee**" means an initiative, referendum or recall petition committee  
 38 organized under ORS 260.118.

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

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

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

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

1 (A) A contribution to a candidate or political committee that is required to report the contri-  
 2 bution on a statement filed under ORS 260.057, 260.076 or 260.102 or a certificate filed under ORS  
 3 260.112; or

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

6 [(17)] (19) “Public office” means any national, state, county, district, city office or position, ex-  
 7 cept a political party office, that is filled by the electors.

8 [(18)] (20) “Recall petition” means a petition to recall a public officer for which a prospective  
 9 petition has been filed but that is not yet a measure.

10 [(19)] (21) “Referendum petition” means a petition to refer a measure for which a prospective  
 11 petition has been filed but that is not yet a measure.

12 [(20)] (22) “Regular district election” means the regular district election described in ORS  
 13 255.335.

14 [(21)] (23) “Slate mailer” means a mass mailing that supports or opposes a total of three or more  
 15 candidates or measures.

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

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

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

23 (b) [*Notwithstanding paragraph (a) of this subsection,*] “Slate mailer organization” does not in-  
 24 clude:

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

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

28 [(23)] (25) “State office” means the office of Governor, Secretary of State, State Treasurer, At-  
 29 torney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public In-  
 30 struction, state Senator, state Representative, judge or district attorney.

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

32 260.039. (1) Except as provided in ORS 260.043, a candidate who serves as the candidate’s own  
 33 treasurer, or the treasurer of the principal campaign committee, shall file a statement of organiza-  
 34 tion with the filing officer. The statement shall include:

35 (a) The name, address, occupation, office sought and party affiliation of the candidate. The ad-  
 36 dress shall be the address of a residence, office, headquarters or similar location where the candi-  
 37 date may be conveniently located[;].

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

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

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

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

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

1 (c) The name of the financial institution in which the campaign account required under ORS  
 2 260.054 is established, the name and number of the account, the name of the account holder and the  
 3 names of all *[persons]* **individuals** who have signature authority for the account. The Secretary of  
 4 State may not disclose information received by the secretary under this paragraph except as nec-  
 5 essary for purposes of enforcing the provisions of ORS chapters 246 to 260.

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

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

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

19 (5) Except as provided in ORS 260.043, a candidate who serves as the candidate's own treasurer  
 20 or the treasurer of the principal campaign committee of the candidate shall file a statement of or-  
 21 ganization under this section not later than the deadline for the candidate to file a nominating pe-  
 22 tition or declaration of candidacy under ORS 249.037 or a certificate of nomination under ORS  
 23 249.722.

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

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

29 260.041. (1) Notwithstanding ORS 260.005 *[(16)]* **(18)** and except as provided in ORS 260.043, a  
 30 candidate shall designate a political committee as the candidate's principal campaign committee. A  
 31 candidate may designate only one political committee as the candidate's principal campaign com-  
 32 mittee.

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

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

36 260.042. (1) The treasurer of a political committee shall file a statement of organization with the  
 37 filing officer. The statement shall include:

38 (a) The name, address and nature of the committee. The address shall be the address of a resi-  
 39 dence, office, headquarters or similar location where the political committee or a responsible officer  
 40 of the political committee may be conveniently located.

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

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

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

45 (e) The name, office sought, and party affiliation of each candidate whom the committee is sup-

1 porting or specifically opposing or intends to support or specifically oppose, when known, or, if the  
 2 committee is supporting or specifically opposing all the candidates of a given party, the name of that  
 3 party.

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

6 (g) The name of the financial institution in which the campaign account required under ORS  
 7 260.054 is established, the name and number of the account, the name of the account holder and the  
 8 names of all [*persons*] **individuals** who have signature authority for the account. The Secretary of  
 9 State may not disclose information received by the secretary under this paragraph except as nec-  
 10 essary for purposes of enforcing the provisions of ORS chapters 246 to 260.

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

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

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

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

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

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

25 260.043. (1) A candidate who serves as the candidate's own treasurer and who expects neither  
 26 the aggregate contributions to be received nor the aggregate expenditures to be made by or on be-  
 27 half of the candidate to exceed [~~\$300~~] **\$350** in total amount during a calendar year is not required  
 28 to:

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

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

31 (c) File statements under ORS 260.057.

32 (2) A candidate described in subsection (1) of this section must keep contribution and expendi-  
 33 ture records for the previous 24 months.

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

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

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

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

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

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

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

45 260.044. (1) A person shall file a statement of independent expenditures if the person makes in-

1 dependent expenditures in a total amount of more than \$100 in a calendar year. The statement shall  
2 be filed with the Secretary of State.

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

9 (3) Notwithstanding ORS 260.005 [(16)] (18), a person who solicits and receives a contribution  
10 or contributions is a political committee and shall file a statement of organization under ORS  
11 260.042 and the statements required by ORS 260.057 or 260.076.

12 (4) For purposes of this section:

13 (a) An independent expenditure does not include a contribution to a candidate or political  
14 committee that is required to report the contribution on a statement filed under ORS 260.057,  
15 260.076 or 260.102 or a certificate filed under ORS 260.112;

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

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

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

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

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

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

26 260.054. (1) Each political committee shall establish a single exclusive campaign account **and**  
27 **each petition committee organized under ORS 260.118 shall establish a single exclusive peti-**  
28 **tion account** in a financial institution, as defined in ORS 706.008. The financial institution must be  
29 located in this state and must ordinarily conduct business with the general public in this state.

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

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

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

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

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

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

43 (A) **Issued on a check signed by the chief petitioner or treasurer of the petition com-**  
44 **mittee or by an individual designated by the chief petitioner or treasurer; or**

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



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

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

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

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

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

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

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

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

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

21 (9) *[Subsections (1) to (8) of]* This section *[do]* **does** not apply to candidates described in ORS  
 22 260.043.

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

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

27 260.057. (1) The Secretary of State by rule shall adopt an electronic filing system to be used by:

28 (a) All candidates and political committees to file with the secretary statements of contributions  
 29 received and expenditures made by the candidates and political committees, as described in ORS  
 30 260.083; *and*].

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

35 **(c) Persons required to file statements under ORS 260.044.**

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

44 (b) For any special election, the secretary by rule may establish a period during which a candi-  
 45 didate for nomination or election at the special election or a political committee supporting or op-

1 posing a candidate or measure at the special election must file a statement described in subsection  
2 (1) of this section not later than seven calendar days after a contribution is received or an expend-  
3 iture is made.

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

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

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

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

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

24 (b) Be compatible with any other electronic filing application provided or approved by the sec-  
25 retary.

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

35 (b) The secretary may not make data that are filed electronically under this section or ORS  
36 260.118 available to the public under this section, unless the data are required to be listed under  
37 ORS 260.083. The secretary may not disclose under ORS 192.410 to 192.505 any data that are filed  
38 electronically under this section or ORS 260.118, unless the data are required to be listed under ORS  
39 260.083.

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

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

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

2 (a) Candidates for federal office;

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

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

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

7 260.076. (1) A legislative official, statewide official or candidate therefor, or the official's or  
8 candidate's principal campaign committee, shall file statements showing contributions received by  
9 or on behalf of the official, candidate or committee during the period beginning January 1 imme-  
10 diately preceding a regular biennial session of the Legislative Assembly and ending upon  
11 adjournment of the regular biennial session of the Legislative Assembly, or during any special ses-  
12 sion of the Legislative Assembly.

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

19 (3) A person or political committee affiliated with a political party, caucus of either house of the  
20 Legislative Assembly, legislative official, statewide official or the Governor, Governor-elect or can-  
21 didate for Governor shall file statements showing contributions received by the person or committee  
22 on behalf of a legislative official, statewide official or candidate therefor, during the period begin-  
23 ning January 1 immediately preceding a regular biennial session of the Legislative Assembly and  
24 ending upon adjournment of the regular biennial session of the Legislative Assembly, or during any  
25 special session of the Legislative Assembly.

26 (4) A person or political committee affiliated with a political party, caucus of either house of the  
27 Legislative Assembly, legislative official, statewide official or the Governor, Governor-elect or can-  
28 didate for Governor shall file statements showing contributions received by the person or committee  
29 on behalf of the Governor, Governor-elect or candidate for Governor, during the period beginning  
30 January 1 immediately preceding a regular biennial session of the Legislative Assembly and ending  
31 30 business days following adjournment of the regular biennial session of the Legislative Assembly,  
32 or during any special session of the Legislative Assembly.

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

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

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

2 (8) As used in this section:

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

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

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

9 260.083. (1) A statement filed under ORS 260.057, 260.076 or 260.118 shall list:

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

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

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

17 (b) For an expenditure:

18 (A) The amount and purpose of each expenditure made in an aggregate amount of more than  
 19 \$100 to a payee, the name or, if applicable, the business name of the payee of the expenditure, and  
 20 the city, or county if the payee is not located in a city, and state in which the payee is located; and

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

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

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

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

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

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

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

35 (4) If a candidate, political committee or *[chief petitioner]* **petition committee** under ORS  
 36 260.057 or 260.118 makes an expenditure that must be reported as an in-kind contribution and an  
 37 expenditure as provided in subsection (3) of this section, the candidate, political committee or *[chief*  
 38 *petitioner]* **petition committee** making the original expenditure shall, in any statement filed under  
 39 ORS 260.057 or 260.118, identify the expenditure as an in-kind contribution and identify the candi-  
 40 date, *[or]* political committee **or petition committee** for whose benefit the expenditure was made.

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

44 (6) If a political committee makes an expenditure that qualifies as an independent expenditure  
 45 under ORS 260.005 *[(9)]* **(10)**, the listing of the expenditure under this section shall identify any

1 candidates or measures that are the subject of the independent expenditure and state whether the  
 2 independent expenditure was used to advocate the election, passage or defeat of the candidates or  
 3 measures.

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

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

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

20 (9) As used in this section:[,]

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

22 (b) **"Contribution" and "expenditure" include a contribution or expenditure to or on be-**  
 23 **half of an initiative, referendum or recall petition.**

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

25 260.112. (1)(a) A candidate or a treasurer of a political committee who expects neither the ag-  
 26 gregate contributions to be received nor the aggregate expenditures to be made by or on behalf of  
 27 the candidate or political committee to exceed \$2,000 in total amount during the calendar year shall  
 28 file a certificate to that effect with the Secretary of State. The candidate or treasurer shall make  
 29 the certificate according to the best of the knowledge or belief of the candidate or treasurer. A  
 30 candidate or treasurer filing a certificate under this section is not required to file statements under  
 31 ORS 260.057.

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

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

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

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

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

5       [(2)] (3) A candidate, [or] political committee **or petition committee** under this section must  
 6 keep contribution and expenditure records during the calendar year.

7       [(3)] (4) If at any time following the filing of a certificate under [subsection (1) of] this section  
 8 and during the calendar year either the aggregate contributions or aggregate expenditures exceed  
 9 \$2,000, the candidate or treasurer shall do all of the following:

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

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

15       [(4)] (5) This section does not apply to a candidate for federal office.

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

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

19       260.118. (1) The chief petitioners of an initiative, referendum or recall petition shall appoint a  
 20 treasurer. The treasurer shall be an elector of this state. Contributions shall be received and  
 21 expenditures made by or through the treasurer.

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

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

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

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

31       (d) **The name of the financial institution in which the petition account required under**  
 32 **ORS 260.054 is established, the name and number of the account, the name of the account**  
 33 **holder and the names of all individuals who have signature authority for the account. The**  
 34 **Secretary of State may not disclose information received by the secretary under this para-**  
 35 **graph except as necessary for purposes of enforcing the provisions of ORS chapters 246 to**  
 36 **260.**

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

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

44       (5) The treasurer of an initiative petition **committee** shall file a statement described in sub-  
 45 section (4) of this section not later than seven calendar days after a contribution is received or an

1 expenditure is made. This subsection applies to contributions received and expenditures made:

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

4 (b) During the period beginning on the 42nd calendar day before the date of any primary  
5 election and ending on the date of the primary election and the period beginning on the 42nd cal-  
6 endar day before the date of any general election and ending on the date of the general election.

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

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

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

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

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

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

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

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

37 [(11)] (12) As used in this section, “contribution” and “expenditure” include a contribution or  
38 expenditure to or on behalf of an initiative, referendum or recall petition.

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

40 260.215. (1) For statements filed during each calendar year, each filing officer shall examine each  
41 statement filed with the filing officer under ORS 260.044 [(1)], 260.057, 260.083, 260.102, 260.112 or  
42 260.118 [(4)] to determine whether the statement is sufficient. The filing officer shall examine state-  
43 ments under this section not later than 90 days after the end of each calendar quarter for statements  
44 filed during the previous calendar quarter.

45 (2) The filing officer may require any person to answer in writing and upon oath or affirmation

1 before a judge, justice of the peace, county clerk or notary public any question within the knowledge  
2 of that person concerning the source of any contribution. The filing officer shall advise the person  
3 of the penalty for failure to answer.

4 (3)(a) For statements filed during each calendar year, in addition to the requirements of **this**  
5 **section and** ORS 260.205 [*and this section*], the Secretary of State shall review statements filed with  
6 the secretary under ORS 260.057 by the principal campaign committees of all candidates for nomi-  
7 nation or election to state office. For each review, the secretary shall require a candidate or  
8 treasurer of a political committee to provide documentation of not more than [*eight*] **12** transactions.

9 (b) The secretary shall review statements under this subsection [*on a quarterly basis*] **twice in**  
10 **a calendar year.**

11 (c) As used in this subsection, “state office” does not include the office of judge or district at-  
12 torney.

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

14 260.225. (1) Upon the petition of the Secretary of State or an elector, or of any other filing of-  
15 ficer with whom a statement is required to be filed, the circuit court for the county in which the  
16 principal office of the filing officer is located may compel a candidate, treasurer or person who fails  
17 to file a statement required to be filed with the filing officer under ORS 260.044 [(1)], 260.057,  
18 260.076, 260.083, 260.102, 260.112 or 260.118, or who files with the filing officer an insufficient  
19 statement, to file with the filing officer a proper statement. The petition shall be filed with the cir-  
20 cuit court not later than the 90th day after the date the statement is filed or should have been filed.

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

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

25 260.232. (1) The Secretary of State may impose a civil penalty as provided in this section, in  
26 addition to any other penalty that may be imposed, for:

27 (a) Failure to file a statement or certificate required to be filed under ORS 260.044 [(1)], 260.057,  
28 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118.

29 (b) Failure to include in a statement filed under ORS 260.057, 260.076, 260.078, 260.083, 260.102,  
30 260.112 or 260.118 the information required under ORS 260.057, 260.076, 260.083, 260.102 or 260.118.

31 (2)(a) If a person required to file has not filed a statement or certificate complying with appli-  
32 cable provisions of ORS 260.044 [(1)], 260.057, 260.076, 260.078, 260.083, 260.085, 260.102, 260.112 or  
33 260.118 within the time specified in ORS **260.044**, 260.057, 260.076, 260.078 or 260.118, the Secretary  
34 of State by certified mail shall notify the person that a penalty may be imposed and that the person  
35 has 20 days to request a hearing before the Secretary of State.

36 (b) If the person required to file is a candidate or the principal campaign committee of a can-  
37 didate, the Secretary of State shall send the notice described in **paragraph (a)** of this subsection  
38 by certified mail to the individual who is the candidate and by first class mail to the candidate’s  
39 treasurer or the treasurer of the candidate’s principal campaign committee. The notice sent by cer-  
40 tified mail to the individual who is a candidate shall be used for purposes of determining the dead-  
41 line for requesting a hearing under subsection (3) of this section. The Secretary of State is not  
42 required to send two notices if the candidate serves as the treasurer of the candidate’s principal  
43 campaign committee.

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



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

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

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

7 (4) A hearing under subsection (3) of this section shall be held not later than [30] 45 days after  
 8 the deadline for the person against whom the penalty may be assessed to request a hearing. How-  
 9 ever, if requested by the person against whom the penalty may be assessed, a hearing under sub-  
 10 section (3) of this section shall be held not later than [45] 60 days after the deadline for the person  
 11 against whom the penalty may be assessed to request a hearing.

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

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

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

20 (a) \$10,000 for failure to file a statement or certificate required to be filed under ORS 260.044  
 21 [(1)], 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118; or

22 (b) \$10,000 for each failure to include in a statement filed under ORS 260.057, 260.076, 260.078,  
 23 260.083, 260.102, 260.112 or 260.118 the information required under ORS 260.057, 260.076, 260.083,  
 24 260.102 or 260.118.

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

27 (9) Except as otherwise provided by this section, civil penalties under this section shall be im-  
 28 posed as provided in ORS 183.745.

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

30 260.402. (1) A person may not make a contribution in any name other than that of the person  
 31 who in truth provides the contribution to:

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

34 (b) Any political committee; or

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

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

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

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

44 260.407. (1)(a) Except as provided in [*subsection (2) of this section*] **paragraph (b) of this sub-**  
 45 **section**, amounts received as contributions by a candidate or the principal campaign committee of

1 a candidate for public office that are in excess of any amount necessary to defray campaign expen-  
2 ditures and any other funds donated to a holder of public office may be:

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

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

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

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

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

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

17 [(b)] (B) Except as provided in this [*paragraph*] **subparagraph**, used to pay any money award  
18 as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil  
19 penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS  
20 174.116. Contributions described in this [*subsection*] **paragraph** may be used to pay a civil penalty  
21 imposed under this chapter, other than a civil penalty imposed for a violation of this section or ORS  
22 260.409; or

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

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

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

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

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

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

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

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

40 (B) **Except as provided in this subparagraph, used to pay any money award as defined in**  
41 **ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty**  
42 **imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS**  
43 **174.116. Contributions described in this subsection may be used to pay a civil penalty imposed**  
44 **under this chapter, other than a civil penalty imposed for a violation of this section or ORS**  
45 **260.409; or**

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

8 (3)(a) Except as provided in paragraph (b) of this subsection, amounts received as con-  
 9 tributions by a chief petitioner or treasurer of a petition committee organized under ORS  
 10 260.118 that are in excess of any amount necessary to defray expenditures may be:

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

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

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

16 (D) Used for any other lawful purpose.

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

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

20 (B) Except as provided in this subparagraph, used to pay any money award as defined in  
 21 ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty  
 22 imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS  
 23 174.116. Contributions described in this subsection may be used to pay a civil penalty imposed  
 24 under this chapter, other than a civil penalty imposed for a violation of this section or ORS  
 25 260.409; or

26 (C) Except as provided in this subparagraph, used to pay any legal expenses incurred by  
 27 a chief petitioner or treasurer in any civil, criminal or other legal proceeding or investigation  
 28 that relates to or arises from the course and scope of the duties of the person as a chief  
 29 petitioner or treasurer. Contributions described in this subsection may be used to pay legal  
 30 expenses incurred by a chief petitioner or treasurer in connection with a legal proceeding  
 31 brought under this chapter, other than a proceeding brought under this section or ORS  
 32 260.409.

33 [(3)] (4) As used in this section:

34 (a) “Contribution” and “expenditure” include a contribution or expenditure to or on be-  
 35 half of an initiative, referendum or recall petition.

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

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

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

43 260.737. (1) A slate mailer organization may not send a slate mailer unless all of the following  
 44 are satisfied:

45 (a) The name and address of the slate mailer organization shall be shown on the outside of each

1 piece of the slate mailer in a legible size and type.

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

4 \_\_\_\_\_  
5  
6 NOTICE TO VOTERS  
7

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

10  
11 CANDIDATES AND MEASURES MARKED WITH AN \* PAID FOR APPEARANCE IN THIS  
12 DOCUMENT.  
13 \_\_\_\_\_

14  
15 (c) Each candidate that has paid to appear in the slate mailer and each measure on whose behalf  
16 payment has been received to appear in the slate mailer shall be designated by an asterisk of legible  
17 size immediately following the name of the candidate or the name or number of the measure in each  
18 instance where the name of the candidate or the name or number of the measure appears in the  
19 slate mailer.

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

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

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

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

30 260.995. (1) Except as provided in subsection (2) of this section, following an investigation under  
31 ORS 260.345, the Secretary of State or Attorney General may impose a civil penalty not to exceed  
32 \$250 for each violation of any provision of Oregon Revised Statutes relating to the conduct of any  
33 election, any rule adopted by the secretary under ORS chapters 246 to 260 or any other matter  
34 preliminary to or relating to an election, for which no penalty is otherwise provided.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

28 249.865. (1) Pursuant to section 18, Article II of the Oregon Constitution, an elector of the  
29 electoral district from which the public officer is elected may file a petition demanding the recall  
30 of the public officer. Before the petition is circulated for signatures, the chief petitioner of the pe-  
31 tition shall file with the officer authorized to order the recall election[:]

32 [(a)] a copy of the prospective petition signed by the chief petitioner[:];

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

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

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

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

44 (b) No person is being paid for obtaining signatures, when the statement included with the pro-  
45 spective 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. (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 22. (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) 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.**

**(7) 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 23. The amendments to ORS 249.865, 260.005, 260.039, 260.041, 260.042, 260.043,**

1 260.044, 260.054, 260.057, 260.083, 260.112, 260.118, 260.215, 260.225, 260.232, 260.402, 260.407,  
2 260.737 and 260.995 by sections 1 to 8 and 10 to 20 of this 2009 Act become operative on Jan-  
3 uary 1, 2010.

4 **SECTION 24.** The Secretary of State may take any action before January 1, 2010, that is  
5 necessary to enable the secretary to exercise, on and after January 1, 2010, all the duties,  
6 functions and powers conferred upon the secretary by the amendments to ORS 249.865,  
7 260.005, 260.039, 260.041, 260.042, 260.043, 260.044, 260.054, 260.057, 260.083, 260.112, 260.118,  
8 260.215, 260.225, 260.232, 260.402, 260.407, 260.737 and 260.995 by sections 1 to 8 and 10 to 20 of  
9 this 2009 Act.

10 **SECTION 25.** This 2009 Act being necessary for the immediate preservation of the public  
11 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect  
12 on its passage.  
13

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