

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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**Action:** Do Pass  
**Vote:** 5 - 3 - 0  
**Yeas:** Berger, Freeman, Garrett, Wingard, Olson  
**Nays:** Barnhart, Holvey, Hunt  
**Exc.:** -  
**Prepared By:** Jim Stenbridge, Administrator  
**Meeting Dates:** 3/28, 6/10

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**WHAT THE MEASURE DOES:** Modifies provisions related to campaign finance penalties. Establishes cap of \$5,000 per calendar month on civil penalties for failure to file statement or include required information. Changes period for assessing civil penalties for violations of campaign finance reporting requirements. Deletes pledged amounts from definition of contributions.

**ISSUES DISCUSSED:**

- History of penalty caps
- Risk of penalties and difficulty of obtaining insurance
- Potential of donors to pay the \$5,000 penalty and thus avoid reporting of the contribution
- Role of volunteer treasurer
- Definition of “pledge” and the number of pledges recorded

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** In 2009, the Legislature passed Senate Bill 783 (2009), implementing multiple changes to how campaign committees file statements on campaign contributions and expenditures. Among the changes, Senate Bill 783 removed the \$10,000 cap on civil penalties for failing to file a statement or failing to include required information and lowered the maximum civil penalty from 100 percent of the amount of the transaction to 10 percent of the total amount of the transaction.

Senate Bill 270-A restores a cap on civil penalties for campaign finance reporting violations, establishing a cap of \$5,000 per calendar month.

Currently, the Secretary of State assesses penalties on a monthly basis using the month of filing, regardless of when the transaction was originally due. Senate Bill 270-A requires that civil penalties be calculated based on the month in which transactions should have been filed, not the month in which they were filed.

Candidate and political campaign committees are required to use the electronic campaign finance filing system (ORESTAR) to file statements of contributions as defined by ORS 260.005(3). The definition of contribution includes pledges, but there is no statutory definition, nor guideline in the *Campaign Finance Manual*, describing what constitutes a pledge. Senate Bill 270-A removes “unfulfilled pledge, subscription, agreement or promise to make contribution” from the definition of contribution.

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***This summary has not been adopted or officially endorsed by action of the committee.***