

**TESTIMONY OF DANIEL MEEK ON HB 2419:
THE CAMPAIGN FINANCING REPORTING DELAY BILL**

before the House Committee on Rules

March 25, 2013

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On behalf of the Oregon Progressive Party, this testimony opposes HB 2419.

This bill is essentially the same as HB 4152 (2012), which we also opposed.

HB 2419 would delay the reporting of essentially all campaign contributions received or made during the 42-day period preceding every primary and general election from the current 7-day requirement to 14 days. It would similarly delay such reporting during a period before every special election set by rule by the Secretary of State and would similarly delay reporting of campaign expenditures during those periods.

We see no reason for delaying these reports of contributions. Allowing an additional week of delay, during the period of time just prior to an election, would allow candidates and committees (including measure committees) to hide their sources of funds during that period. As ballots are received by most voters about 14 days before the election, this relaxation of reporting requirements could significantly reduce the information available to voters about sources of campaign contributions.

HB 2149 requires that any individual contribution of \$1,000 or more, received during the final 14 days before election day, be reported within 2 calendar days. This requirement would be easily evaded by receiving contributions in individual checks of less than \$1,000 each. Thus, under HB 2419, a candidate or committee could receive infinite funds, from any source, in \$999 checks (even all written on the same day) within the 42-day period prior to a primary or general election and still have 14 days to report those contributions (instead of the 7 days under current law).

This loophole means that the "2 calendar day" provision is effectively meaningless, so HB 2419 in effect changes the reporting period for all contributions from 7 days to 14 days before the election at hand.

This loophole could easily be closed by amending the bill to apply the 2-day reporting requirement to any contribution:

- (1) causes the contributor to exceed \$1,000 in cumulative contributions to the candidate or committee during the present two-year election cycle; or

- (2) is from a contributor who has exceeded \$1,000 in cumulative contributions to the candidate or committee during the present two-year election cycle.

We made these suggestions in written testimony to this Committee on February 2, 2012, on HB 4152.

And, if 2-day reporting of large contributions is desirable, it should apply during the entire 42-day period, not just the last 14 days.

Even if the above loophole were closed, HB 2419's alleged (but ineffective) ceiling on contributions that qualify for delayed reporting (contribution above \$1,000) is too high. The average Oregonian does not have anything near \$1,000 to spend on political contributions during an entire year or several years. Reporting of contributions in that range should not be delayed. \$200 would be a more appropriate ceiling on any contribution to benefit from delayed reporting.

Finally, it is troubling that, with all of the problems in Oregon's campaign finance system, the Legislature would focus on relaxing the reporting requirements. In the 2011 session, the Independent Party of Oregon and others supported HB 2893-3, introduced by a bipartisan collection of House members. The provision would require disclosure of a campaign's major contributors in the campaign's advertisements. Any relaxation of reporting requirements should be accompanied by adoption of HB 2893-3 (2011).