

REVENUE: No revenue impact

FISCAL: May have fiscal impact, statement not yet issued

Action:

Vote:

Yeas:

Nays:

Exc.:

Prepared By: Erin Seiler, Administrator

Meeting Dates: 4/21

WHAT THE MEASURE DOES: Proposes amendment to Oregon Constitution to permit Legislative Assembly, or people through initiative process, to enact laws limiting or prohibiting contributions made in connection with campaigns for nomination or election to public office. Refers proposed amendment to people for approval or rejection at next regular general election.

ISSUES DISCUSSED:

EFFECT OF COMMITTEE AMENDMENT:

-1 amendment (Sen. Prozanski): Permits enacting laws limiting or prohibiting contributions made in connection with any political campaign or election to public office.

-2 amendment (Secretary of State): Authorizes only limits that Legislature or people enact after effective date of resolution to be operative.

BACKGROUND: Senate Joint Resolution 5 amends the Constitution to allow campaign finance regulation; Senate Bill 75 is the companion measure that would provide the establishment and actual regulation of campaign finance regulation.

Currently, Oregon is one of four states with no limits on contributions and there are seven states with minimal contribution limits; these states limit or prohibit contributions by corporations and unions to candidates, but contributions from all other sources are unlimited.

The Oregon Supreme Court has found that limits on contributions to political campaigns generally violate the Oregon Constitution. The Oregon Supreme Court looked at contribution limits for the first time when reviewing Ballot Measure 9 (1994). The measure limited campaign contributions by individuals and political action committees (PACs) in legislative and statewide races. In *VanNatta v. Keisling*, 324 Or. 514; 931P.2d 770 (1997), the Court found that campaign contributions are a form of speech protected by the Oregon Constitution and that the state Constitution would have to be amended to allow any contribution limits. In 2012, the Court considered the case of *Hazell v. Brown* regarding the implementation of campaign contributions that were adopted in Ballot Measure 47 (2006). The proponents argued that the campaign finance limits were duly passed by the voters, and so it should be enforced unless and until a court strikes it down as unconstitutional. The Secretary of State and the Attorney General determined back in 2006 that since Ballot Measure 46, the constitutional amendment to allow the legislature or the people to create limits on campaign contributions and spending by enacting a statute, did not pass, the statutory limitations would not be enforced. The Court concluded that the campaign finance limits were inoperative and that according to the plain text of the measure itself, the limits were dormant.

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