



May 28, 2015

## Oregon Progressive Party Position on Bill at 2015 Session of Oregon Legislature:

### -1 Amendment to HB 2178: Oppose

Dear Committee:

The Oregon Progressive Party opposes the -1 Amendment to HB 2178, which was first posted on OLIS at 4:53 pm yesterday. Because the amendment so drastically changes the bill, the Committee should hear testimony on it.

The original bill would lengthen the ORESTAR reporting period during the last 42 days before the primary and general elections from 7 days to 14 days for all contributions, except:

1. any contribution that would cause the contributor's aggregate contributions to equal or exceed \$2,500, and
2. any subsequent contribution by that same contributor.

Those 2 types of contributions would require 2-day reporting. Requiring faster reporting of contributions from large contributors, with slower reporting of contributions from smaller contributors, is a marginally acceptable trade-off.

**But the -1 Amendment is very different.** It also would lengthen the reporting period during the last 42 days before the election from 7 days to 14 days for all contributions, except for contributors who, during the 42 days, make at least one discrete "single contribution of \$2,500 or more" to the committee. **That would allow any individual or organization to avoid any 2-day reporting of their contributions merely by breaking its contributions into pieces that each are smaller than \$2,500.** Every check is a separate contribution. Every electronic transfer or credit card

charge is a separate contribution.

The result would be that big money could flow into campaigns with only 14-day reporting, instead of the current 7-day reporting.

This is not reform; this is anti-reform.

This loophole means that the "2-day" provision is effectively meaningless, so HB 2178 in effect changes the reporting period for all contributions from 7 days to 14 days before the election at hand. Considering that voters have their ballots already in hand by the 14th day before the election, this would allow campaigns to avoid disclosing their large late contributors until election day itself or even later.

The Legislature has considered bills very similar to the -1 Amendment in 2012 (HB 4152) and in 2013 (HB 2419). I testified against both of those bills, and neither one passed. My testimony on HB 2419 (2013) is attached. It is fully applicable to the -1 Amendment, except that -1 Amendment is worse than HB 2419 (2013), which required 2-day reporting of every discrete contribution of \$1,000 or more. The -1 Amendment would require no 2-day reporting at all, unless the donor makes at least one discrete contribution of \$2,500 or more. Instead, it would change today's 7-day reporting to 14-day reporting, reducing the information available to voters.

The -1 Amendment is worse than the present system and should be rejected.

Please include this statement in the legislative record for this bill. Thank you.



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

**before the House Committee on Rules**

**March 25, 2013**

Daniel Meek  
10949 S.W. 4th Avenue  
Portland, OR 97219  
503-293-9021  
dan@meek.net

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).