

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 06/25/15

Action: Do Pass With Different Amendments. (Printed A-Eng Minority)

Meeting Dates: 04/21, 06/25

Signers of the Report: Sen. Brian Boquist, Sen. Ted Ferrioli

Prepared By: Erin Seiler, Committee Administrator

WHAT THE MEASURE DOES:

Establishes 9-member Task Force on Campaign Finance Reform (Task Force). Specifies membership, charge and reporting requirement. Identifies Committee Services Office of Legislative Administration Office to provide staff support for Task Force. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Influence of money on politics
- Relationship between free speech and campaign spending
- Efforts to amend Oregon Constitution
- Amount of money in politics
- Method for establishing limits on campaign finance contribution
- Scope of issues related to campaign finance reform for task force to discuss
- Participation of three major political parties and minor political parties
- Task force reporting requirement

EFFECT OF MINORITY AMENDMENT:

Replaces original measure.

BACKGROUND:

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.

MINORITY REPORT

Senate Bill 75-MRA establishes a Task Force on Campaign Finance Reform to conduct an analysis and determine the best method or methods to address campaign finance reforms and report to the interim committee on rules no later than December 31, 2015. The Task Force will be comprised of 9 members who are appointed by the Secretary of State, President of the Senate, Senate Minority Leader, Speaker of the House of Representatives and House Minority Leader. In addition to members of Legislature, the Task Force will include three members to represent the major political parties in Oregon and one member to represent the minor political parties in Oregon.