

**SENATE MINORITY REPORT
AMENDMENTS TO
A-ENGROSSED HOUSE BILL 2176**

By Nonconcurring Members of COMMITTEE ON RULES

July 2

1 On page 1 of the printed A-engrossed bill, line 5, after “251.085,” insert “251.087,”.

2 Delete lines 6 and 7 and insert “255.295, 260.005, 260.007, 260.035, 260.037, 260.043, 260.054,
3 260.055, 260.057, 260.078, 260.083, 260.095, 260.205, 260.232, 260.241 and 260.407 and section 9, chapter
4 8, Oregon Laws 2015 (Enrolled House Bill 2177); repealing ORS 247.435; and declaring an
5 emergency.”.

6 On page 15, delete line 45.

7 On page 16, delete lines 1 through 5 and insert:

8 “**SECTION 27.** ORS 251.085 is amended to read:

9 “251.085. (1) The candidate’s statement shall begin with a summary of the following: occupation,
10 **current employer**, educational and occupational background, and prior governmental experience.

11 “(2) **Knowingly providing false information within the portion of the candidate’s state-**
12 **ment required under subsection (1) of this subsection is a violation of ORS 260.715 (1).”.**

13 On page 19, delete lines 1 through 11 and insert:

14 “**SECTION 33.** ORS 260.037 is amended to read:

15 “260.037. (1) The candidate is personally responsible for the performance of the duties referred
16 to in ORS 260.035 (2). Any default or violation by the treasurer shall be conclusively considered a
17 default or violation by the candidate. Any default or violation by the individual designated by the
18 candidate or treasurer under ORS 260.039[, 260.042 or 260.057] is conclusively considered a default
19 or violation by the candidate.

20 “(2)(a) **Except as provided in paragraph (b) of this subsection, the treasurer of a political**
21 **committee or the treasurer of a petition committee is personally responsible for the per-**
22 **formance of the duties referred to in ORS 260.035 (3) or 260.118. Any default or violation by**
23 **the individual designated by the treasurer under ORS 260.042 or 260.118 is conclusively con-**
24 **sidered a default or violation by the treasurer.**

25 “(b) **If the treasurer of a political committee or the treasurer of a petition committee is**
26 **directed by the candidate, committee director or chief petitioner to perform a duty referred**
27 **to in ORS 260.035 (3) or 260.118 that results in a default or violation, the default or violation**
28 **by the treasurer of a political committee or the treasurer of a petition committee is consid-**
29 **ered a default or violation by the candidate, committee director or chief petitioner who is-**
30 **ssued the directive.**

31 “(3)(a) **Except as provided in paragraph (b) of this subsection, the individual designated**
32 **by the candidate, treasurer of a political committee or treasurer of a petition committee**
33 **under ORS 260.057 is personally responsible for any statement signed and certified as true**
34 **by the designated individual.**

1 “(b) If an individual designated by the candidate, treasurer of a political committee or
2 treasurer of a petition committee under 260.057 is directed by the candidate, treasurer of a
3 political committee, treasurer of a petition committee, committee director or chief petitioner
4 to sign a statement that results in a default or violation, the default or violation by the in-
5 dividual designated by the candidate, treasurer of a political committee or treasurer of a
6 petition committee is conclusively considered a default or violation by the candidate, treas-
7 urer of a political committee, treasurer of a petition committee, committee director or chief
8 petitioner who issued the directive.”.

9 On page 27, after line 9, insert:

10 “**SECTION 47.** ORS 251.087 is amended to read:

11 “251.087. (1) If a candidate files a portrait and statement under ORS 251.065 for inclusion in the
12 voters’ pamphlet, the Secretary of State shall review the portrait and statement to ensure that the
13 portrait complies with the requirements of ORS 251.075, [and] that the **portion of the** statement
14 **required under ORS 251.085 is factually accurate and that the statement** complies with the
15 requirements of ORS 251.049 and 251.085.

16 “(2) **As part of the** review by the Secretary of State under this section, **the secretary** shall:

17 “(a) [be limited to determining] **Determine** whether the portrait and statement comply with the
18 requirements of ORS 251.049, 251.075 and 251.085; and [shall not include any determination relating
19 to the accuracy or truthfulness of materials filed.]

20 “(b) **Verify the accuracy of the portion of the candidate’s statement required under ORS**
21 **251.085.**

22 “(3)(a) The Secretary of State shall review each portrait and statement not later than three
23 business days following the deadline for filing a portrait and statement under ORS 251.065.

24 “(b) If the Secretary of State determines that the portrait or statement of a candidate must be
25 revised in order to comply with the requirements of ORS 251.049, 251.075 or 251.085, the Secretary
26 of State shall attempt to contact the candidate not later than the fifth business day following the
27 deadline for filing a portrait and statement under ORS 251.065. A candidate contacted by the Sec-
28 retary of State under this section may file a revised portrait or statement not later than the seventh
29 business day following the deadline for filing a portrait and statement under ORS 251.065.

30 “(c) **If the Secretary of State determines that there is reasonable cause to believe that**
31 **the portion of the candidate’s statement required under ORS 251.085 contains objectively**
32 **false statements of fact, the secretary shall report the initial findings to the Attorney Gen-**
33 **eral. The Attorney General immediately shall examine the candidate’s statement and deter-**
34 **mine whether prosecution is warranted.**

35 “(4) If the Secretary of State is required to attempt to contact a candidate under subsection (3)
36 of this section, the Secretary of State shall attempt to contact the candidate by telephone or by
37 using an electronic transmission facsimile machine.

38 “(5) If the Secretary of State is unable to contact a candidate or if the candidate does not file
39 a revised portrait or statement, the following rules apply:

40 “(a) If a portrait does not comply with ORS 251.075, the Secretary of State may modify the
41 portrait. The candidate shall pay the expense of any modification prior to publication of the portrait
42 in the voters’ pamphlet. If the portrait cannot be modified to comply with ORS 251.075, the portrait
43 shall not be printed in the voters’ pamphlet.

44 “(b) If a statement does not comply with ORS 251.085 the statement shall not be printed in the
45 voters’ pamphlet.

1 “(c) If a statement does not comply with ORS 251.049, the Secretary of State shall edit the
2 statement to remove language that does not comply with ORS 251.049.

3 “(6) If the portrait or statement of a candidate filed under ORS 251.065 does not comply with a
4 requirement of ORS 251.049, 251.075 or 251.085 and the Secretary of State does not attempt to con-
5 tact the candidate by the deadline specified in subsection (3) of this section, for purposes of ORS
6 251.049, 251.075 and 251.085 only, the portrait or statement shall be printed as filed.

7 “(7) A candidate revising a portrait or statement under this section shall make only those re-
8 visions necessary to comply with ORS 251.049, 251.075 and 251.085.

9 “(8) The Secretary of State by rule may define the term ‘contact’ as used in this section.

10 “**SECTION 48.** ORS 260.005 is amended to read:

11 “260.005. As used in this chapter:

12 “(1)(a) ‘Candidate’ means:

13 “(A) An individual whose name is printed on a ballot, for whom a declaration of candidacy,
14 nominating petition or certificate of nomination to public office has been filed or whose name is
15 expected to be or has been presented, with the individual’s consent, for nomination or election to
16 public office;

17 “(B) An individual who has solicited or received and accepted a contribution, made an expend-
18 iture, or given consent to an individual, organization, political party or political committee to solicit
19 or receive and accept a contribution or make an expenditure on the individual’s behalf to secure
20 nomination or election to any public office at any time, whether or not the office for which the in-
21 dividual will seek nomination or election is known when the solicitation is made, the contribution
22 is received and retained or the expenditure is made, and whether or not the name of the individual
23 is printed on a ballot; or

24 “(C) A public office holder against whom a recall petition has been completed and filed.

25 “(b) For purposes of this section and ORS 260.035 to 260.156, ‘candidate’ does not include a
26 candidate for the office of precinct committeeperson.

27 “(2) ‘Committee director’ means any person who directly and substantially participates in
28 decision-making on behalf of a political committee concerning the solicitation or expenditure of
29 funds and the support of or opposition to candidates or measures. The officers of a political party
30 shall be considered the directors of any political party committee of that party, unless otherwise
31 provided in the party’s bylaws.

32 “(3)(a) Except as provided in ORS 260.007, ‘contribute’ or ‘contribution’ includes:

33 “[*a*] (A) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent
34 compensation or consideration, of money, **professional** services [*other than personal services*] for
35 which no compensation is asked or given, supplies, equipment or any other thing of value:

36 “[*A*] (i) For the purpose of influencing an election for public office or an election on a measure,
37 or of reducing the debt of a candidate for nomination or election to public office or the debt of a
38 political committee; or

39 “[*B*] (ii) To or on behalf of a candidate, political committee or measure; and

40 “[*b*] (B) The excess value of a contribution made for compensation or consideration of less
41 than equivalent value.

42 “(b) As used in this subsection:

43 “(A) ‘Professional services’ means services arising out of or related to the specialized
44 knowledge or skills of a practicing attorney, accountant or business professional.

45 “(B) ‘Professional services’ does not include services by speakers, writers or publishers.

1 “(4) ‘Controlled committee’ means a political committee that, in connection with the making of
2 contributions or expenditures:

3 “(a) Is controlled directly or indirectly by a candidate or a controlled committee; or

4 “(b) Acts jointly with a candidate or controlled committee.

5 “(5) ‘Controlled directly or indirectly by a candidate’ means:

6 “(a) The candidate, the candidate’s agent, a member of the candidate’s immediate family, **an**
7 **employee of the candidate** or any other political committee that the candidate controls has a sig-
8 nificant influence on the actions or decisions of the political committee; or

9 “(b) The candidate’s principal campaign committee and the political committee both have the
10 candidate or a member of the candidate’s immediate family as a treasurer, [or] a director, **an indi-**
11 **vidual described in ORS 260.037 (3)(a) or a correspondence recipient.**

12 “(6) ‘County clerk’ means the county clerk or the county official in charge of elections.

13 “(7) ‘Elector’ means an individual qualified to vote under Article II, section 2, of the Oregon
14 Constitution.

15 “(8) Except as provided in ORS 260.007, ‘expend’ or ‘expenditure’ includes the payment or fur-
16 nishing of money or anything of value or the incurring or repayment of indebtedness or obligation
17 by or on behalf of a candidate, political committee or person in consideration for any services,
18 supplies, equipment or other thing of value performed or furnished for any reason, including support
19 of or opposition to a candidate, political committee or measure, or for reducing the debt of a can-
20 didate for nomination or election to public office. ‘Expenditure’ also includes contributions made by
21 a candidate or political committee to or on behalf of any other candidate or political committee.

22 “(9) ‘Filing officer’ means:

23 “(a) The Secretary of State:

24 “(A) Regarding a candidate for public office;

25 “(B) Regarding a statement required to be filed under ORS 260.118;

26 “(C) Regarding any measure; or

27 “(D) Regarding any political committee.

28 “(b) In the case of an irrigation district formed under ORS chapter 545, ‘filing officer’ means:

29 “(A) The county clerk, regarding any candidate for office or any measure at an irrigation dis-
30 trict formation election where the proposed district is situated wholly in one county;

31 “(B) The county clerk of the county in which the office of the secretary of the proposed irri-
32 gation district will be located, regarding any candidate for office or any measure at an irrigation
33 district formation election where the proposed district is situated in more than one county; or

34 “(C) The secretary of the irrigation district for any election other than an irrigation district
35 formation election.

36 “(10) ‘Independent expenditure’ means an expenditure by a person for a communication in sup-
37 port of or in opposition to a clearly identified candidate or measure that is not made with the co-
38 operation or with the prior consent of, or in consultation with, or at the request or suggestion of,
39 a candidate or any agent or authorized committee of the candidate, or any political committee or
40 agent of a political committee supporting or opposing a measure. For purposes of this subsection:

41 “(a) ‘Agent’ means any person who has:

42 “(A) Actual oral or written authority, either express or implied, to make or to authorize the
43 making of expenditures on behalf of a candidate or on behalf of a political committee supporting or
44 opposing a measure; or

45 “(B) Been placed in a position within the campaign organization where it would reasonably ap-

1 pear that in the ordinary course of campaign-related activities the person may authorize expen-
2 ditures.

3 “(b)(A) ‘Clearly identified’ means, with respect to candidates:

4 “(i) The name of the candidate involved appears;

5 “(ii) A photograph or drawing of the candidate appears; or

6 “(iii) The identity of the candidate is apparent by unambiguous reference.

7 “(B) ‘Clearly identified’ means, with respect to measures:

8 “(i) The ballot number of the measure appears;

9 “(ii) A description of the measure’s subject or effect appears; or

10 “(iii) The identity of the measure is apparent by unambiguous reference.

11 “(c) ‘Communication in support of or in opposition to a clearly identified candidate or measure’
12 means:

13 “(A) The communication, taken in its context, clearly and unambiguously urges the election or
14 defeat of a clearly identified candidate for nomination or election to public office, or the passage
15 or defeat of a clearly identified measure;

16 “(B) The communication, as a whole, seeks action rather than simply conveying information; and

17 “(C) It is clear what action the communication advocates.

18 “(d) ‘Made with the cooperation or with the prior consent of, or in consultation with, or at the
19 request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any
20 political committee or agent of a political committee supporting or opposing a measure’:

21 “(A) Means any arrangement, coordination or direction by the candidate or the candidate’s
22 agent, or by any political committee or agent of a political committee supporting or opposing a
23 measure, prior to the publication, distribution, display or broadcast of the communication. An ex-
24 penditure shall be presumed to be so made when it is:

25 “(i) Based on information about the plans, projects or needs of the candidate, or of the political
26 committee supporting or opposing a measure, and provided to the expending person by the candidate
27 or by the candidate’s agent, or by any political committee or agent of a political committee sup-
28 porting or opposing a measure, with a view toward having an expenditure made; or

29 “(ii) Made by or through any person who is or has been authorized to raise or expend funds,
30 who is or has been an officer of a political committee authorized by the candidate or by a political
31 committee or agent of a political committee supporting or opposing a measure, or who is or has been
32 receiving any form of compensation or reimbursement from the candidate, the candidate’s principal
33 campaign committee or agent or from any political committee or agent of a political committee
34 supporting or opposing a measure.

35 “(B) Does not mean providing to the expending person upon request a copy of this chapter or
36 any rules adopted by the Secretary of State relating to independent expenditures.

37 “(11) ‘Initiative petition’ means a petition to initiate a measure for which a prospective petition
38 has been filed but that is not yet a measure.

39 “(12) ‘Judge’ means judge of the Supreme Court, Court of Appeals, circuit court or the Oregon
40 Tax Court.

41 “(13) ‘Mass mailing’ means more than 200 substantially similar pieces of mail, but does not in-
42 clude a form letter or other mail that is sent in response to an unsolicited request, letter or other
43 inquiry.

44 “(14) ‘Measure’ includes any of the following submitted to the people for their approval or re-
45 jection at an election:

1 “(a) A proposed law.
2 “(b) An Act or part of an Act of the Legislative Assembly.
3 “(c) A revision of or amendment to the Oregon Constitution.
4 “(d) Local, special or municipal legislation.
5 “(e) A proposition or question.
6 “(15) ‘Occupation’ means:
7 “(a) The nature of an individual’s principal business; and
8 “(b) If the individual is employed by another person, the business name and address, by city and
9 state, of the employer.
10 “(16) ‘Person’ means an individual, corporation, limited liability company, labor organization,
11 association, firm, partnership, joint stock company, club, organization or other combination of indi-
12 viduals having collective capacity.
13 “(17) ‘Petition committee’ means an initiative, referendum or recall petition committee organized
14 under ORS 260.118.
15 “(18) ‘Political committee’ means a combination of two or more individuals, or a person other
16 than an individual, that has:
17 “(a) Received a contribution for the purpose of supporting or opposing a candidate, measure or
18 political party; or
19 “(b) Made an expenditure for the purpose of supporting or opposing a candidate, measure or
20 political party. For purposes of this paragraph, an expenditure does not include:
21 “(A) A contribution to a candidate or political committee that is required to report the contri-
22 bution on a statement filed under ORS 260.057 or 260.076 or a certificate filed under ORS 260.112;
23 or
24 “(B) An independent expenditure for which a statement is required to be filed by a person under
25 ORS 260.044.
26 “(19) ‘Public office’ means any national, state, county, district, city office or position, except a
27 political party office, that is filled by the electors.
28 “(20) ‘Recall petition’ means a petition to recall a public officer for which a prospective petition
29 has been filed but that is not yet a measure.
30 “(21) ‘Referendum petition’ means a petition to refer a measure for which a prospective petition
31 has been filed but that is not yet a measure.
32 “(22) ‘Regular district election’ means the regular district election described in ORS 255.335.
33 “(23) ‘State office’ means the office of Governor, Secretary of State, State Treasurer, Attorney
34 General, Commissioner of the Bureau of Labor and Industries, state Senator, state Representative,
35 judge or district attorney.
36 “**SECTION 49.** ORS 260.007 is amended to read:
37 “260.007. As used in this chapter, ‘contribute,’ ‘contribution,’ ‘expend’ or ‘expenditure’ does not
38 include:
39 “(1) Any written news story, commentary or editorial distributed through the facilities of any
40 broadcasting station, newspaper, magazine or other regularly published publication, unless a poli-
41 tical committee owns the facility.
42 “(2) An individual’s use of the individual’s own personal residence, including a community room
43 associated with the individual’s residence, to conduct a reception for a candidate or political com-
44 mittee and the individual’s cost of invitations, food and beverages provided at the reception.
45 “(3) A vendor’s sale of food and beverages for use in a candidate’s or political committee’s

1 campaign at a charge less than the normal comparable charge, if the charge is at least equal to the
2 cost of the food or beverages to the vendor.

3 “(4) Any unreimbursed payment for travel expenses an individual, including a candidate, makes
4 on behalf of a candidate or political committee.

5 “(5) Any loan of money made by a financial institution as defined in ORS 706.008, other than
6 any overdraft made with respect to a checking or savings account, if the loan bears the usual and
7 customary interest rate for the category of loan involved, is made on a basis that ensures repay-
8 ment, is evidenced by a written instrument and is subject to a due date or amortization schedule.
9 However, each indorser or guarantor of the loan shall be considered to have contributed that por-
10 tion of the total amount of the loan for which that person agreed to be liable in a written agreement,
11 except if the indorser or guarantor is the candidate’s spouse.

12 “(6) Nonpartisan activity designed to encourage individuals to vote or to register to vote.

13 “(7) Any communication a membership organization or corporation makes to its members,
14 shareholders or employees if the membership organization or corporation is not organized primarily
15 for the purpose of influencing an election.

16 “[8] *The payment of compensation for legal and accounting services rendered to a candidate or*
17 *political committee if the person paying for the services is the regular employer of the individual ren-*
18 *dering the services and the services are solely for the purpose of ensuring compliance with the pro-*
19 *visions of this chapter.]*

20 “[9] (8) The payment by a state or local committee of a political party of the costs of prepa-
21 ration, display or mailing or other distribution incurred by the committee with respect to a printed
22 slate card or sample ballot, or other printed listing, of three or more candidates for any public office
23 for which an election is held in this state. This subsection does not apply to costs incurred by the
24 committee with respect to a display of any such listing made on broadcasting stations or in news-
25 papers, magazines or similar types of general public political advertising.

26 “**SECTION 50.** ORS 260.035 is amended to read:

27 “260.035. (1) Not later than the third business day after a political committee first receives a
28 contribution or makes an expenditure, the political committee shall:

29 “(a) Appoint a treasurer who shall be an elector of this state;

30 “(b) Certify the name and address of the treasurer to the filing officer; and

31 “(c) File a statement of organization under ORS 260.039 or 260.042.

32 “(2) A candidate may serve as the candidate’s own treasurer or may appoint and certify to the
33 filing officer the name and address of a treasurer. A candidate’s treasurer shall perform all the du-
34 ties prescribed for the candidate under ORS 260.035 to 260.156.

35 “(3) Contributions shall be received and expenditures made by or through the treasurer of the
36 political committee or the candidate or the treasurer of a principal campaign committee.

37 “(4)(a) Any change in information required under this section shall be indicated in an amended
38 certification filed not later than the 10th day after the change in information.

39 “(b) **Except as provided in paragraph (c) of this subsection, the individual serving as**
40 **treasurer on the date an amended certification is required to be filed under this subsection**
41 **is the individual responsible for ensuring that the amended certification is timely filed.**

42 “(c) **If an amended certification is required under this subsection because of the ap-**
43 **pointment of a new treasurer and the committee director or committee directors did not**
44 **timely inform the new treasurer of the requirement to file an amended certification under**
45 **this subsection, the committee director or committee directors are responsible for ensuring**

1 **that the amended certification is timely filed.**

2 **“SECTION 51.** ORS 260.083 is amended to read:

3 “260.083. (1)(a) For a contribution, except as provided in ORS 260.085, a statement filed under
4 ORS 260.044, 260.057, 260.076, 260.078 or 260.118 shall list:

5 “(A) The name, occupation and address of each person, and the name and address of each poli-
6 tical committee or petition committee, that [*contributed an aggregate amount of more than \$100 in a*
7 *calendar year*] **made a contribution of any amount** on behalf of a candidate or to a political
8 committee or petition committee and the total amount contributed by that person or committee; and

9 “(B) The total amount of other contributions as a single item, but shall specify how those con-
10 tributions were obtained.

11 “(b) For an expenditure, including an independent expenditure, a statement filed under ORS
12 260.044, 260.057, 260.076, 260.078 or 260.118 shall list:

13 “(A) The amount and purpose of each expenditure made in an aggregate amount of more than
14 \$100 to a payee, the name or, if applicable, the business name of the payee of the expenditure, and
15 the city, or county if the payee is not located in a city, and state in which the payee is located; and

16 “(B) The total amount of other expenditures as a single item.

17 “(c) For each loan, whether repaid or not, made by or to a candidate, political committee or
18 petition committee, a statement filed under ORS 260.044, 260.057, 260.076, 260.078 or 260.118 shall
19 list:

20 “(A) The name and address of each person shown as a cosigner or guarantor on a loan and the
21 amount of the obligation undertaken by each cosigner or guarantor;

22 “(B) The name of the lender holding the loan; and

23 “(C) The terms of the loan, including the interest rate and repayment schedule.

24 **“(2)(a) The Secretary of State by rule shall prescribe a method for regularly auditing**
25 **statements filed for contributions of \$100 or less.**

26 **“(b) After conducting the audits required under paragraph (a) of this subsection, the**
27 **Secretary of State shall ensure that, if a person, political committee or petition committee:**

28 **“(A) Has contributed an aggregate amount of more than \$100 in the calendar year on**
29 **behalf of a candidate or to a political committee or a petition committee, the name, occupa-**
30 **tion and address of each person, and the name and address of each political committee or**
31 **petition committee, and the total amount contributed by that person or committee is made**
32 **available to the public on the electronic filing system adopted under ORS 260.057; and**

33 **“(B) Has not contributed an aggregate amount of more than \$100 in the calendar year**
34 **on behalf of a candidate or to a political committee or a petition committee, the identifying**
35 **information listed in subparagraph (A) of this paragraph is not made available to the public**
36 **on the electronic filing system adopted under ORS 260.057. If this subparagraph applies, the**
37 **Secretary of State may not disclose the identifying information listed in subparagraph (A)**
38 **of this paragraph under ORS 192.410 to 192.505.**

39 “[2] (3) An expenditure shall be reported as an account payable only if the expenditure is not
40 paid within the time specified in ORS 260.057, 260.076 or 260.118.

41 “[3] (4) Anything of value paid for or contributed by any person shall be listed as both an in-
42 kind contribution and an expenditure by the candidate or committee for whose benefit the payment
43 or contribution was made.

44 “[4] (5) If a candidate, political committee or petition committee under ORS 260.057 or 260.118
45 makes an expenditure that must be reported as an in-kind contribution and an expenditure as pro-

1 vided in subsection (3) of this section, the candidate, political committee or petition committee
2 making the original expenditure shall, in any statement filed under ORS 260.057, 260.078 or 260.118,
3 identify the expenditure as an in-kind contribution and identify the candidate, political committee
4 or petition committee for whose benefit the expenditure was made.

5 “[5] (6) If a political committee makes an expenditure that qualifies as an independent ex-
6 penditure under ORS 260.005 (10), the listing of the expenditure under this section shall identify any
7 candidates or measures that are the subject of the independent expenditure and state whether the
8 independent expenditure was used to advocate the election, passage or defeat of the candidates or
9 measures.

10 “[6] (7) As used in this section:

11 “(a) ‘Address’ has the meaning given that term in rules adopted by the Secretary of State.

12 “(b) ‘Contribution’ and ‘expenditure’ include a contribution or expenditure to or on behalf of an
13 initiative, referendum or recall petition.

14 “**SECTION 52.** ORS 260.095 is amended to read:

15 “260.095. (1) If a candidate, political committee or petition committee under ORS 260.057 or
16 260.118 makes an expenditure that must be reported as both an in-kind contribution and an ex-
17 penditure by the candidate, political committee or petition committee for whose benefit the expend-
18 iture was made as provided in ORS 260.083 [(3)] (4), the candidate, political committee or petition
19 committee making the original expenditure shall:

20 “(a) Notify the candidate or committee for whose benefit the expenditure was made in writing
21 that the expenditure was made; and

22 “(b) Deliver the notice not later than 48 hours after the time that the candidate, political com-
23 mittee or petition committee making the original expenditure includes the expenditure in a state-
24 ment under ORS 260.057.

25 “(2) The Secretary of State shall adopt rules requiring expenditures that must be reported as
26 both an in-kind contribution and an expenditure by the candidate, political committee or petition
27 committee for whose benefit the expenditure was made to be highlighted in an identifiable color in
28 the electronic filing system required under ORS 260.057.

29 “**SECTION 53.** ORS 260.205 is amended to read:

30 “260.205. (1)(a) **Except as provided in paragraph (b) of this subsection,** a filing officer shall
31 inspect each statement filed under ORS 260.057, 260.083, 260.112 or 260.118 not later than the 10th
32 business day after the filing deadline or the 10th business day after the statement is filed, whichever
33 is later.

34 “(b) **This subsection does not require a filing officer to inspect statements of contribu-**
35 **tions filed under ORS 260.057, 260.083 or 260.118 if the contributions:**

36 “(A) **Are from a single person, political committee or petition committee;**

37 “(B) **Are on behalf of a single candidate or to a single political committee or petition**
38 **committee; and**

39 “(C) **Have an aggregate total of \$100 or less for the calendar year.**

40 “(2) A filing officer immediately shall notify a person required to file a statement with the filing
41 officer under ORS 260.057, 260.083, 260.112 or 260.118 if:

42 “(a) Upon examination of relevant materials, it appears to the filing officer that the person has
43 failed to file a required statement or that a statement filed with the filing officer by the person is
44 insufficient; or

45 “(b) A complaint is filed with the filing officer under subsection (3) of this section.

1 “(3) An elector may file with a filing officer a complaint that a statement filed with the filing
2 officer is insufficient or that a person has failed to file a required statement. The complaint shall
3 be in writing, shall state in detail the reasons for complaint and shall be filed with the filing officer
4 not later than the 90th day after the date the statement of which it complains is filed or should have
5 been filed.

6 “(4) If upon receiving notification under subsection (2) of this section a person responds by filing
7 a statement or submitting information to correct an insufficient statement, the filing officer shall
8 confirm whether the person’s response is sufficient not later than 90 days after receiving the re-
9 sponse. If, within 90 days, the filing officer does not confirm whether a response is sufficient under
10 this subsection, the person is not subject to civil penalty under ORS 260.232 for failure to file or
11 failure to include the required information in the statement.

12 “**SECTION 54.** ORS 260.407 is amended to read:

13 “260.407. (1)(a) Except as provided in paragraph (b) of this subsection, amounts received as
14 contributions by a candidate, [or] the principal campaign committee of a candidate **or the principal**
15 **campaign committee of a holder of public office** [for public office that are in excess of any amount
16 necessary to defray expenditures and any other funds donated to a holder of public office] may be:

17 “(A) Used to defray any expenses incurred in connection with the recipient’s duties as a holder
18 of public office;

19 “(B) Transferred to any national, state or local political committee of any political party;

20 “(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
21 or to any charitable corporation as defined in ORS 128.620; or

22 “(D) Used for any other lawful purpose.

23 “(b) Amounts received as contributions by a candidate, [or] the principal campaign committee
24 of a candidate for public office **or the principal campaign committee of a holder of public office**
25 [that are in excess of any amount necessary to defray expenditures and other funds donated to a holder
26 of public office] may not be:

27 “(A) Converted by any person to any personal use other than to defray any expenses incurred
28 in connection with the person’s duties as a holder of public office or to repay to a candidate any
29 loan the proceeds of which were used in connection with the candidate’s campaign;

30 “(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
31 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
32 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
33 butions described in this paragraph may be used to pay a civil penalty imposed under this chapter,
34 other than a civil penalty imposed for a violation of this section or ORS 260.409; or

35 “(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by the
36 candidate or public official in any civil, criminal or other legal proceeding or investigation that re-
37 lates to or arises from the course and scope of the duties of the person as a candidate or public
38 official. Contributions described in this paragraph may be used to pay legal expenses incurred by
39 the candidate or public official in connection with a legal proceeding brought under this chapter,
40 other than a proceeding brought under this section or ORS 260.409.

41 “(2)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions
42 by a political committee that is not a principal campaign committee [that are in excess of any amount
43 necessary to defray expenditures] may be:

44 “(A) Used to repay to the political committee any loan the proceeds of which were used in
45 connection with the campaign;

1 “(B) Transferred to any national, state or local political committee of any political party;
2 “(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
3 or to any charitable corporation as defined in ORS 128.620; or
4 “(D) Used for any other lawful purpose.
5 “(b) Amounts received as contributions by the political committee may not be:
6 “(A) Converted by any person to any personal use;
7 “(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
8 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
9 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
10 butions described in this subsection may be used to pay a civil penalty imposed under this chapter,
11 other than a civil penalty imposed for a violation of this section or ORS 260.409; or
12 “(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a
13 treasurer or director of a political committee in any civil, criminal or other legal proceeding or in-
14 vestigation that relates to or arises from the course and scope of the duties of the person as a
15 treasurer or director. Contributions described in this subsection may be used to pay legal expenses
16 incurred by a treasurer or director in connection with a legal proceeding brought under this chap-
17 ter, other than a proceeding brought under this section or ORS 260.409.
18 “(3)(a) Except as provided in paragraph (b) of this subsection, amounts received as contributions
19 by a chief petitioner or treasurer of a petition committee [*that are in excess of any amount necessary*
20 *to defray expenditures*] may be:
21 “(A) Used to repay to the chief petitioner any loan the proceeds of which were used in con-
22 nection with the initiative, referendum or recall petition;
23 “(B) Transferred to any national, state or local political committee of any political party;
24 “(C) Contributed to any organization described in section 170(c) of the Internal Revenue Code
25 or to any charitable corporation as defined in ORS 128.620; or
26 “(D) Used for any other lawful purpose.
27 “(b) Amounts received as contributions by a chief petitioner or treasurer of a petition committee
28 may not be:
29 “(A) Converted by any person to any personal use;
30 “(B) Except as provided in this subparagraph, used to pay any money award as defined in ORS
31 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by
32 an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116. Contri-
33 butions described in this subsection may be used to pay a civil penalty imposed under this chapter,
34 other than a civil penalty imposed for a violation of this section or ORS 260.409; or
35 “(C) Except as provided in this subparagraph, used to pay any legal expenses incurred by a chief
36 petitioner or the treasurer of a petition committee in any civil, criminal or other legal proceeding
37 or investigation that relates to or arises from the course and scope of the duties of the person as
38 a chief petitioner or treasurer. Contributions described in this subsection may be used to pay legal
39 expenses incurred by a chief petitioner or treasurer in connection with a legal proceeding brought
40 under this chapter, other than a proceeding brought under this section or ORS 260.409.
41 “(4) As used in this section:
42 “(a) ‘Contribution’ and ‘expenditure’ include a contribution or expenditure to or on behalf of an
43 initiative, referendum or recall petition.
44 “(b) ‘Funds donated’ means all funds, including but not limited to gifts, loans, advances, credits
45 or deposits of money that are donated for the purpose of supporting the activities of a holder of

1 public office. 'Funds donated' does not mean funds appropriated by the Legislative Assembly or an-
2 other similar public appropriating body or personal funds of the office holder donated to an account
3 containing only those personal funds.

4 "(c) 'Public office' does not include national or political party office.

5 "**SECTION 55.** Section 9, chapter 8, Oregon Laws 2015 (Enrolled House Bill 2177), is amended
6 to read:

7 "**Sec. 9.** For the purpose of maintaining status as a minor political party under ORS 248.008
8 [(4)(b)] (4)(a) for the general election to be held on November 8, 2016, the total number of registered
9 electors in this state is deemed to be the total number of registered electors identified in the elector
10 registration records of the Secretary of State on July 1, 2015.

11 "**SECTION 56. Sections 57 and 58 of this 2015 Act are added to and made a part of ORS**
12 **chapter 260.**

13 "**SECTION 57. (1) Any representation regarding an individual's occupation, current em-**
14 **ployer, educational and occupational background or prior governmental experience that is**
15 **made as part of a report filed under ORS 260.049, an account required by ORS 260.054 or**
16 **260.055, a statement of organization filed pursuant to ORS 260.035, 260.039, 260.042, 260.046**
17 **or 260.118, or a statement or certificate required to be filed under ORS 260.044, 260.057,**
18 **260.064, 260.076, 260.078, 260.083, 260.112 or 260.118, must be factually accurate.**

19 "**(2) Knowingly providing false information as part of the representation described under**
20 **subsection (1) of this subsection is a violation of ORS 260.715 (1).**

21 "**(3) If the Secretary of State determines that there is reasonable cause to believe that**
22 **an individual has knowingly provided false information as part of the representation de-**
23 **scribed in subsection (1) of this section, the secretary shall report the matter to the Attor-**
24 **ney General. The Attorney General immediately shall examine the relevant filing or filings**
25 **and determine whether prosecution is warranted.**

26 "**SECTION 58. (1) A person who receives notice from the Secretary of State of a potential**
27 **violation of this chapter regarding a report filed under ORS 260.049, an account required by**
28 **ORS 260.054 or 260.055, a statement of organization filed pursuant to ORS 260.035, 260.039,**
29 **260.042, 260.046 or 260.118, or a statement or certificate required to be filed under ORS**
30 **260.044, 260.057, 260.064, 260.076, 260.078, 260.083, 260.112 or 260.118, must, in addition to com-**
31 **plying with any other applicable provision of law, take action to amend the filing and comply**
32 **with the law within 180 calendar days of receiving the notice.**

33 "**(2) Failure to take action to amend the filing and comply with the law within 180 cal-**
34 **endar days of receiving notice under subsection (1) of this section is a Class C felony."**

35 In line 10, delete "47" and insert "59".

36 Delete lines 11 and 12 and insert:

37 "**SECTION 60. Sections 57 and 58 of this 2015 Act and the amendments to statutes and**
38 **session laws by sections 1 to 55 of this 2015 Act and the repeal of ORS 247.435 by section 59**
39 **of this 2015 Act become operative on January 1, 2016."**

40 In line 13, delete "49" and insert "61".

41 /s/ Ted Ferrioli
42 Senator

43 /s/ Brian Boquist
44 Senator