

A-Engrossed
Senate Bill 225

Ordered by the Senate April 21
Including Senate Amendments dated April 21

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Secretary of State Jeanne P. Atkins)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Provides that treasurer of political committee or treasurer of petition committee is personally responsible for performance of specified duties. **Permits treasurer to designate elector to be liable for civil penalties imposed for failure to file required statements for committee or for failure to include information required in statements filed for committee.**

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to liability for campaign finance violations; creating new provisions; amending ORS 260.037,
3 260.042, 260.118, 260.215 and 260.232; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 260.037 is amended to read:

6 260.037. (1) The candidate is personally responsible for the performance of the duties referred
7 to in ORS 260.035 (2). Any default or violation by the treasurer shall be conclusively considered a
8 default or violation by the candidate. Any default or violation by the individual designated by the
9 candidate or treasurer under ORS 260.039[*260.042*] or 260.057 is conclusively considered a default
10 or violation by the candidate.

11 **(2) Except as otherwise provided in subsection (1) of this section, the treasurer of a poli-**
12 **tical committee or the treasurer of a petition committee is personally responsible for the**
13 **performance of the duties referred to in ORS 260.035 (3) or 260.118. Any default or violation**
14 **by the individual designated by the treasurer under ORS 260.042 or 260.057 is conclusively**
15 **considered a default or violation by the treasurer.**

16 **SECTION 2.** ORS 260.042 is amended to read:

17 260.042. (1) The treasurer of a political committee shall file a statement of organization with the
18 filing officer. The statement shall include:

19 (a) The name, address and nature of the committee. The address shall be the address of a resi-
20 dence, office, headquarters or similar location where the political committee or a responsible officer
21 of the political committee may be conveniently located.

22 (b) The name, address and occupation of the committee director or directors.

23 (c) The name and address of the committee treasurer.

24 (d) The name and address of any other political committee of which two or more committee di-
25 rectors are also directors of the committee filing the statement.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (e) The name, office sought, and party affiliation of each candidate whom the committee is sup-
2 porting or specifically opposing or intends to support or specifically oppose, when known, or, if the
3 committee is supporting or specifically opposing all the candidates of a given party, the name of that
4 party.

5 (f) A designation of any measure that the committee is opposing or supporting, or intends to
6 support or oppose.

7 (g) The name of the financial institution in which the campaign account required under ORS
8 260.054 is established, the name of the account, the name of the account holder and the names of
9 all individuals who have signature authority for the account. The Secretary of State may not dis-
10 close information received by the secretary under this paragraph except as necessary for purposes
11 of enforcing the provisions of ORS chapters 246 to 260.

12 (h) A statement of whether the committee is a controlled committee.

13 (2) A treasurer may designate an individual to receive any notice provided by a filing officer
14 under ORS chapters 246 to 260. The treasurer shall include the name and address of the individual
15 in a statement of organization filed under this section. A filing officer who provides any notice under
16 ORS chapters 246 to 260 to the treasurer of the political committee shall also provide the notice to
17 the individual designated by the treasurer under this subsection.

18 **(3) A treasurer may designate an elector of this state to be liable for any civil penalty**
19 **imposed under ORS 260.232. The treasurer shall include the name and address of any elector**
20 **designated under this subsection in a statement of organization filed under this section.**

21 [(3)] (4) The statement of organization shall be filed not later than the date specified in ORS
22 260.035.

23 [(4)] (5) Any change in information submitted in a statement of organization under subsection
24 (1) of this section shall be indicated in an amended statement of organization filed not later than the
25 10th day after the change in information.

26 [(5)] (6) This section does not apply to a political committee that is a principal campaign com-
27 mittee or to a political committee exclusively supporting or opposing one or more candidates for
28 federal or political party office.

29 **SECTION 3.** ORS 260.118 is amended to read:

30 260.118. (1) The chief petitioners of an initiative, referendum or recall petition shall appoint a
31 treasurer. The treasurer shall be an elector of this state. Contributions shall be received and
32 expenditures made by or through the treasurer.

33 (2) The treasurer shall file a statement of organization of a petition committee with the appro-
34 priate filing officer. The treasurer shall file the statement not later than the third business day after
35 a chief petitioner or the treasurer receives a contribution or makes an expenditure relating to the
36 initiative, referendum or recall petition. The statement shall include:

37 (a) The name and address of the chief petitioners.

38 (b) The name and address of the treasurer appointed under subsection (1) of this section.

39 (c) A designation of the initiative, referendum or recall petition. The designation of the recall
40 petition shall include the name of the officer whose recall is demanded.

41 (d) The name of the financial institution in which the petition account required under ORS
42 260.054 is established, the name of the account, the name of the account holder and the names of
43 all individuals who have signature authority for the account. The Secretary of State may not dis-
44 close information received by the secretary under this paragraph except as necessary for purposes
45 of enforcing the provisions of ORS chapters 246 to 260.

1 **(3) A treasurer may designate an elector of this state to be liable for any civil penalty**
 2 **imposed under ORS 260.232. The treasurer shall include the name and address of any elector**
 3 **designated under this subsection in a statement of organization filed under this section.**

4 [(3)] (4) If there is a change in the information submitted in a statement of organization under
 5 subsection (2) of this section, the treasurer shall file an amended statement of organization not later
 6 than the 10th day after the change in information.

7 [(4)] (5) The treasurer of an initiative, referendum or recall petition committee shall use the
 8 electronic filing system adopted under ORS 260.057 to file with the Secretary of State statements
 9 of contributions received and expenditures made by the petition committee, as described in ORS
 10 260.083.

11 [(5)] (6) The treasurer of an initiative petition committee shall file a statement described in
 12 subsection [(4)] (5) of this section not later than seven calendar days after a contribution is received
 13 or an expenditure is made. This subsection applies to contributions received and expenditures made:

14 (a) During the period beginning on the 42nd calendar day before the date that is four months
 15 before a general election and ending on the date that is four months before a general election; and

16 (b) During the period beginning on the 42nd calendar day before the date of any primary
 17 election and ending on the date of the primary election and the period beginning on the 42nd cal-
 18 endar day before the date of any general election and ending on the date of the general election.

19 [(6)] (7) The treasurer of a referendum petition committee or a recall petition committee shall
 20 file a statement described in subsection [(4)] (5) of this section not later than seven calendar days
 21 after a contribution is received or an expenditure is made. This subsection applies:

22 (a) For a referendum petition committee, to contributions received and expenditures made during
 23 the period beginning on the date the treasurer is appointed under subsection (1) of this section and
 24 ending on the deadline for submitting signatures for verification; and

25 (b) For a recall petition committee, to contributions received and expenditures made during the
 26 period beginning on the day after the date on which the statement of contributions received and
 27 expenditures made that is required under ORS 249.865 is filed and ending on the deadline for sub-
 28 mitting signatures for verification.

29 [(7)] (8) Except as provided in subsection [(8)] (9) of this section, during a period not described
 30 in subsection [(5) or (6)] (6) or (7) of this section, a treasurer of an initiative, referendum or recall
 31 petition committee shall file a statement described in subsection [(4)] (5) of this section not later
 32 than 30 calendar days after a contribution is received or an expenditure is made.

33 [(8)] (9) If a treasurer of an initiative petition committee receives a contribution or makes an
 34 expenditure prior to the 42nd calendar day before the date that is four months before a general
 35 election, or the 42nd day before the date of the primary election or general election, and the treas-
 36 urer has not filed a statement of the contribution or expenditure under subsection [(4)] (5) of this
 37 section by the 43rd calendar day before the date that is four months before a general election, or
 38 the 43rd day before the date of the primary election or general election, the treasurer shall file a
 39 statement described in subsection [(4)] (5) of this section not later than the 35th calendar day before
 40 the date that is four months before a general election, or the 35th day before the date of the primary
 41 election or general election.

42 [(9)] (10) For an initiative petition committee, the accounting period for the first statement filed
 43 under this section begins on the date the treasurer is appointed under subsection (1) of this section.

44 [(10)] (11) Each statement required under this section shall be signed and certified as true by
 45 the treasurer. Signatures shall be supplied in the manner specified by the secretary by rule.

1 [(11)] (12) Subsections [(4) to (10)] (5) to (11) of this section do not apply to petition committees
2 that file certificates under ORS 260.112.

3 [(12)] (13) As used in this section, “contribution” and “expenditure” include a contribution or
4 expenditure to or on behalf of an initiative, referendum or recall petition.

5 **SECTION 4.** ORS 260.232 is amended to read:

6 260.232. (1) The Secretary of State may impose a civil penalty as provided in this section, in
7 addition to any other penalty that may be imposed, for:

8 (a) Failure to file a statement or certificate required to be filed under ORS 260.044, 260.057,
9 260.076, 260.078, 260.083, 260.112 or 260.118.

10 (b) Failure to include in a statement filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083,
11 260.112 or 260.118 the information required under ORS 260.044, 260.057, 260.076, 260.083 or 260.118.

12 (2)(a) If a person required to file has not filed a statement or certificate complying with appli-
13 cable provisions of ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.085, 260.112 or 260.118 within
14 the time specified in ORS 260.044, 260.057, 260.076, 260.078 or 260.118, the Secretary of State by first
15 class mail shall notify the person **or elector designated under ORS 260.042 or 260.118** that a
16 penalty may be imposed and that the person has 20 days from the service date on the notice to re-
17 quest a hearing before the Secretary of State.

18 (b) If the person required to file is a candidate or the principal campaign committee of a can-
19 didate, the Secretary of State shall send the notice described in paragraph (a) of this subsection by
20 first class mail to the candidate. The notice shall be used for purposes of determining the deadline
21 for requesting a hearing under subsection (3) of this section.

22 (3) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation
23 shall be held by the Secretary of State:

24 (a) Upon request of the person against whom the penalty may be assessed, if the request is made
25 not later than the 20th day after the person received the notice sent under subsection (2) of this
26 section;

27 (b) Upon request of the filing officer with whom a statement or certificate was required to be
28 filed but was not filed; or

29 (c) Upon the Secretary of State’s own motion.

30 (4) A hearing under subsection (3) of this section shall be held not later than 45 days after the
31 deadline for the person against whom the penalty may be assessed to request a hearing. However,
32 if requested by the person against whom the penalty may be assessed, a hearing under subsection
33 (3) of this section shall be held not later than 60 days after the deadline for the person against whom
34 the penalty may be assessed to request a hearing.

35 (5) The Secretary of State shall issue an order not later than 90 days after a hearing or after
36 the deadline for requesting a hearing if no hearing is held.

37 (6) The person against whom a penalty may be assessed need not appear in person at a hearing
38 held under this section, but instead may submit written testimony and other evidence, subject to the
39 penalty for false swearing, to the Secretary of State for entry in the hearing record. The testimony
40 and other evidence must be received by the secretary not later than three business days before the
41 day of the hearing and may be submitted electronically.

42 (7) A civil penalty imposed under this section may not be more than the following:

43 (a) For failure to file a statement or certificate required to be filed under ORS 260.044, 260.057,
44 260.076, 260.078, 260.083, 260.112 or 260.118, 10 percent of the total amount of the contribution or
45 expenditure required to be included in the statement or certificate; or

1 (b) For each failure to include in a statement filed under ORS 260.044, 260.057, 260.076, 260.078,
2 260.083, 260.112 or 260.118 the information required under ORS 260.044, 260.057, 260.076, 260.083 or
3 260.118, 10 percent of the total amount of the contribution or expenditure required to be included
4 in the statement.

5 (8) The Secretary of State, upon a showing of mitigating circumstances, may reduce the amount
6 of the penalty described in subsection (7) of this section.

7 (9) Except as otherwise provided by this section, civil penalties under this section shall be im-
8 posed as provided in ORS 183.745.

9 **SECTION 5.** ORS 260.215 is amended to read:

10 260.215. (1) For statements filed during each calendar year, each filing officer shall examine each
11 statement filed with the filing officer under ORS 260.044, 260.057, 260.083, 260.112 or 260.118 [(4)] (5)
12 to determine whether the statement is sufficient. The filing officer shall examine statements under
13 this section not later than 90 days after the end of each calendar quarter for statements filed during
14 the previous calendar quarter.

15 (2) The filing officer may require any person to answer in writing and upon oath or affirmation
16 before a judge, justice of the peace, county clerk or notary public any question within the knowledge
17 of that person concerning the source of any contribution. The filing officer shall advise the person
18 of the penalty for failure to answer.

19 **SECTION 6. The amendments to ORS 260.037, 260.042, 260.118, 260.215 and 260.232 by**
20 **sections 1 to 5 of this 2017 Act apply to any default or violation that occurs on or after the**
21 **effective date of this 2017 Act.**

22 **SECTION 7. This 2017 Act takes effect on the 91st day after the date on which the 2017**
23 **regular session of the Seventy-ninth Legislative Assembly adjourns sine die.**

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