

Enrolled
Senate Bill 225

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CHAPTER

AN ACT

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

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

SECTION 1. ORS 260.037 is amended to read:

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

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

SECTION 2. ORS 260.042 is amended to read:

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

- (a) The name, address and nature of the committee. The address shall be the address of a residence, office, headquarters or similar location where the political committee or a responsible officer of the political committee may be conveniently located.
- (b) The name, address and occupation of the committee director or directors.
- (c) The name and address of the committee treasurer.
- (d) The name and address of any other political committee of which two or more committee directors are also directors of the committee filing the statement.
- (e) The name, office sought, and party affiliation of each candidate whom the committee is supporting or specifically opposing or intends to support or specifically oppose, when known, or, if the committee is supporting or specifically opposing all the candidates of a given party, the name of that party.
- (f) A designation of any measure that the committee is opposing or supporting, or intends to support or oppose.
- (g) The name of the financial institution in which the campaign account required under ORS 260.054 is established, the name of the account, the name of the account holder and the names of

all individuals who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this paragraph except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

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

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

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

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

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

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

SECTION 3. ORS 260.118 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

(b) During the period beginning on the 42nd calendar day before the date of any primary election and ending on the date of the primary election and the period beginning on the 42nd calendar day before the date of any general election and ending on the date of the general election.

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

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

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

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

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

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

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

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

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

SECTION 4. ORS 260.232 is amended to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(9) Except as otherwise provided by this section, civil penalties under this section shall be imposed as provided in ORS 183.745.

SECTION 5. ORS 260.215 is amended to read:

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

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

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

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

Passed by Senate April 25, 2017

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House June 21, 2017

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Tina Kotek, Speaker of House

Received by Governor:

.....M,....., 2017

Approved:

.....M,....., 2017

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2017

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Dennis Richardson, Secretary of State