

DRAFT

SUMMARY

Prohibits candidates for state office from accepting contributions in excess of amounts specified and from sources not specified.

Prohibits certain political committees from accepting contributions in excess of amounts specified and from sources not specified.

Creates small donor committee.

A BILL FOR AN ACT

Relating to elections; creating new provisions; amending ORS 260.005, 260.041, 260.042, 260.044, 260.083, 260.266 and 260.275; and repealing chapter 3, Oregon Laws 2007.

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

SECTION 1. Sections 2 and 3 of this 2020 Act are added to and made a part of ORS chapter 260.

SECTION 2. (1) A candidate for state office or the principal campaign committee of the candidate for state office described in this section may accept contributions only from the sources and in the amounts described in this section.

(2)(a) A candidate or the principal campaign committee of the candidate for the office of state Senator, state Representative or judge may not accept aggregate contributions in excess of:

(A) \$750 per election from any individual, multi-legislative candidate political committee or principal campaign committee.

(B) \$15,000 per election from any small donor committee.

(C) \$15,000 per election from a legislative caucus political committee.

1 (D) \$15,000 per election from a political party committee.

2 (b) A candidate or the principal campaign committee of the candi-
3 date for the office of Governor, Secretary of State, State Treasurer,
4 Attorney General or Commissioner of the Bureau of Labor and In-
5 dustries may not accept aggregate contributions in excess of:

6 (A) \$2,000 per election from any individual, multi-legislative candi-
7 date political committee or principal campaign committee.

8 (B) \$40,000 per election from any small donor committee.

9 (C) \$40,000 per election from a legislative caucus political commit-
10 tee.

11 (D) \$40,000 per election from a political party committee.

12 (c) A candidate for state office or the principal campaign committee
13 of the candidate for state office described in this subsection may not
14 accept contributions from more than one legislative caucus political
15 committee and from more than one political party committee.

16 (3)(a) Except as provided in paragraph (b) of this subsection, for
17 purposes of this section, each instance in which an individual is a
18 candidate for nomination or election to a state office at a primary
19 election or general election, or will appear on the ballot as an
20 incumbent holder of a state office at a recall election, constitutes a
21 separate election.

22 (b) An instance in which an individual is a candidate for state office
23 at a general election does not constitute a separate election under this
24 section if the individual received the nomination of a major political
25 party for the state office at a primary election at which no other
26 candidate for that state office was listed on the official ballot of the
27 major political party.

28 (4) Nothing in this section limits the amount a candidate may con-
29 tribute from the candidate's personal funds to the candidate's princi-
30 pal campaign committee.

31 (5) In addition to the contribution limits established by subsections

(1) and (2) of this section, a candidate may accept an unlimited amount of public campaign financing from a public body.

(6) The Secretary of State may adopt rules necessary to implement this section.

SECTION 3. (1) A political committee described in this section may accept contributions only from the sources and in the amounts described in this section.

(2) A legislative caucus political committee:

(a) May not accept aggregate contributions in excess of:

(A) \$2,000 per year from any individual, multi-legislative candidate political committee or principal campaign committee.

(B) \$40,000 per year from a political party committee.

(b) May not contribute to a candidate or the principal campaign committee of the candidate campaigning for an office that is not of the same chamber of the Legislative Assembly from which the members of the legislative caucus political committee hold office.

(c) May not contribute to a candidate or the principal campaign committee of the candidate who is not affiliated with the same political party as the members of the legislative caucus political committee.

(3) A multi-legislative candidate political committee:

(a) May not accept aggregate contributions in excess of \$200 per election from any individual, multi-legislative candidate political committee or principal campaign committee.

(b) May not make independent expenditures.

(c) May make expenditures for the purpose of influencing the outcome of an election only in the form of contributions.

(4) A political party committee may not accept aggregate contributions in excess of \$2,000 per year from any individual, multi-legislative candidate political committee or principal campaign committee.

(5) A small donor committee:

1 (a) May not accept aggregate contributions in excess of \$200 per
2 election from any individual, multi-legislative candidate political
3 committee, principal campaign committee or political party commit-
4 tee.

5 (b) May not accept contributions from any individual, multi-
6 legislative candidate political committee, principal campaign commit-
7 tee or political party committee that, when combined with the
8 aggregate amount the person has previously contributed for that
9 election to small donor committees, would result in an aggregate
10 contribution from that person in excess of \$1,000.

11 (c) May make expenditures for the purpose of influencing the out-
12 come of an election only in the form of contributions to a single can-
13 didate for state office designated in the committee's statement of
14 organization filed under ORS 260.042 at the time of formation.

15 (d) May operate only during the election cycle in which the com-
16 mittee is established and ceases to exist at the end of the election cycle
17 or within 10 days of when the candidate designated in the committee's
18 statement of organization filed under ORS 260.042 at the time of for-
19 mation ceases or suspends the candidate's campaign, whichever occurs
20 first.

21 (6)(a) Except as provided in paragraph (b) of this subsection, for
22 purposes of this section, each instance in which an individual is a
23 candidate for nomination or election to a state office at a primary
24 election or general election, or will appear on the ballot as an
25 incumbent holder of a state office at a recall election, constitutes a
26 separate election.

27 (b) An instance in which an individual is a candidate for state office
28 at a general election does not constitute a separate election under this
29 section if the individual received the nomination of a major political
30 party for the state office at a primary election at which no other
31 candidate for that state office was listed on the official ballot of the

1 major political party.

2 (7)(a) A person may not control more than one of each of the fol-
3 lowing types of committee at one time:

4 (A) Legislative caucus political committee.

5 (B) Multi-legislative candidate political committee.

6 (C) Political party committee.

7 (D) Principal campaign committee.

8 (E) Small donor committee.

9 (b) For the purposes of contribution limits established in this sec-
10 tion, contributions made or received by multiple political committees
11 are considered to be made or received by a single political committee
12 if:

13 (A) The political committees have filed to operate as the same type
14 of political committee under ORS 260.042; and

15 (B) The political committees are established, financed, maintained
16 or controlled by the same person or substantially the same group of
17 persons, including any parent, subsidiary, branch, division, depart-
18 ment or local unit of such person or group of persons.

19 (c) Notwithstanding paragraph (b) of this subsection, having the
20 same individual acting as the treasurer of two or more political com-
21 mittees is not by itself sufficient to consider contributions made by the
22 political committees to be contributions made or received by a single
23 political committee.

24 (8) The Secretary of State may adopt rules necessary to implement
25 this section.

26 **SECTION 4.** ORS 260.005 is amended to read:

27 260.005. As used in this chapter:

28 (1)(a) "Candidate" means:

29 (A) An individual whose name is printed on a ballot, for whom a decla-
30 ration of candidacy, nominating petition or certificate of nomination to
31 public office has been filed or whose name is expected to be or has been

presented, with the individual's consent, for nomination or election to public office;

(B) An individual who has solicited or received and accepted a contribution, made an expenditure, or given consent to an individual, organization, political party or political committee to solicit or receive and accept a contribution or make an expenditure on the individual's behalf to secure nomination or election to any public office at any time, whether or not the office for which the individual will seek nomination or election is known when the solicitation is made, the contribution is received and retained or the expenditure is made, and whether or not the name of the individual is printed on a ballot; or

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

(b) For purposes of this section and ORS 260.035 to 260.156, "candidate" does not include a candidate for the office of precinct committee person.

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

(3) Except as provided in ORS 260.007, "contribute" or "contribution" includes:

(a) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money, services other than personal services for which no compensation is asked or given, supplies, equipment or any other thing of value:

(A) For the purpose of influencing an election for public office or an election on a measure, or of reducing the debt of a candidate for nomination or election to public office or the debt of a political committee; or

(B) To or on behalf of a candidate, political committee or measure; and

(b) The excess value of a contribution made for compensation or consideration of less than equivalent value.

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

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

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

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

(a) The candidate, the candidate’s agent, a member of the candidate’s immediate family or any other political committee that the candidate controls has a significant influence on the actions or decisions of the political committee; or

(b) The candidate’s principal campaign committee and the political committee both have the candidate or a member of the candidate’s immediate family as a treasurer or director.

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

(7) “Election cycle” means the period starting on the day after the date of a general election and ending on the date of the next general election.

[(7)] (8) “Elector” means an individual qualified to vote under Article II, section 2, of the Oregon Constitution.

[(8)] (9) Except as provided in ORS 260.007, “expend” or “expenditure” includes the payment or furnishing of money or anything of value or the incurring or repayment of indebtedness or obligation by or on behalf of a candidate, political committee or person in consideration for any services, supplies, equipment or other thing of value performed or furnished for any reason, including support of or opposition to a candidate, political committee or measure, or for reducing the debt of a candidate for nomination or election to public office. “Expenditure” also includes contributions made by a candidate or political committee to or on behalf of any other candidate or

political committee.

[(9)] (10) “Filing officer” means:

(a) The Secretary of State:

(A) Regarding a candidate for public office;

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

(C) Regarding any measure; or

(D) Regarding any political committee.

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

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

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

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

[(10)] (11) “Independent expenditure” means an expenditure by a person for a communication in support of or in opposition to a clearly identified candidate or measure that is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any political committee or agent of a political committee supporting or opposing a measure. For purposes of this subsection:

(a) “Agent” means any person who has:

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

(B) Been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related

activities the person may authorize expenditures.

(b)(A) “Clearly identified” means, with respect to candidates:

(i) The name of the candidate involved appears;

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

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

(B) “Clearly identified” means, with respect to measures:

(i) The ballot number of the measure appears;

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

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

(c) “Communication in support of or in opposition to a clearly identified candidate or measure” means:

(A)(i) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office, or the passage or defeat of a clearly identified measure; and

(ii) The electoral portion of the communication is unmistakable, unambiguous and suggestive of only one meaning; or

(B)(i) The communication involves aggregate expenditures of more than \$250 by a person;

(ii) The communication refers to a clearly identified candidate or measure that will appear on the ballot or to a political party; and

(iii) The communication is published and disseminated to the relevant electorate within 60 calendar days before a primary election, 120 calendar days before a general election or 90 calendar days before an election other than a primary election or a general election.

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

(A) Means any arrangement, coordination or direction by the candidate

or the candidate's agent, or by any political committee or agent of a political committee supporting or opposing a measure, prior to the publication, distribution, display or broadcast of the communication. An expenditure shall be presumed to be so made when it is:

(i) Based on information about the plans, projects or needs of the candidate, or of the political committee supporting or opposing a measure, and provided to the expending person by the candidate or by the candidate's agent, or by any political committee or agent of a political committee supporting or opposing a measure, with a view toward having an expenditure made; or

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

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

[(11)] (12) "Initiative petition" means a petition to initiate a measure for which a prospective petition has been filed but that is not yet a measure.

[(12)] (13) "Judge" means judge of the Supreme Court, Court of Appeals, circuit court or the Oregon Tax Court.

(14) "Legislative caucus political committee" means a political committee:

(a) Established by a caucus of a major political party or a minor political party in the Senate or House of Representatives;

(b) Established under rules or bylaws created by the caucus by which it was established; and

1 (c) Controlled by an elected leader of the caucus by which it was
2 established.

3 (15) “Major political party” means a political party that has quali-
4 fied as a major political party under ORS 248.006.

5 [(13)] (16) “Mass mailing” means more than 200 substantially similar
6 pieces of mail, but does not include a form letter or other mail that is sent
7 in response to an unsolicited request, letter or other inquiry.

8 [(14)] (17) “Measure” includes any of the following submitted to the peo-
9 ple for their approval or rejection at an election:

10 (a) A proposed law.

11 (b) An Act or part of an Act of the Legislative Assembly.

12 (c) A revision of or amendment to the Oregon Constitution.

13 (d) Local, special or municipal legislation.

14 (e) A proposition or question.

15 (18) “Minor political party” means a political party that has quali-
16 fied as a minor political party under ORS 248.008.

17 (19) “Multi-legislative candidate political committee” means a poli-
18 tical committee that supports or opposes one or more candidates
19 through the use of direct contributions to the candidates or the prin-
20 cipal campaign committee of the candidates.

21 [(15)] (20) “Occupation” means:

22 (a) The nature of an individual’s principal business; and

23 (b) If the individual is employed by another person, the business name and
24 address, by city and state, of the employer.

25 [(16)] (21) “Person” means an individual, corporation, limited liability
26 company, labor organization, association, firm, partnership, joint stock com-
27 pany, club, organization or other combination of individuals having collec-
28 tive capacity.

29 [(17)] (22) “Petition committee” means an initiative, referendum or recall
30 petition committee organized under ORS 260.118.

31 [(18)] (23) “Political committee” means a combination of two or more in-

dividuals, or a person other than an individual, that has:

(a) Received a contribution for the purpose of supporting or opposing a candidate, measure or political party; or

(b) Made an expenditure for the purpose of supporting or opposing a candidate, measure or political party. For purposes of this paragraph, an expenditure does not include:

(A) A contribution to a candidate or political committee that is required to report the contribution on a statement filed under ORS 260.057 or 260.076 or a certificate filed under ORS 260.112; or

(B) An independent expenditure for which a statement is required to be filed by a person under ORS 260.044.

(24) “Political party committee” means a political committee that, on a statewide or local basis:

(a) Supports or opposes one or more candidates; and

(b)(A) Represents a major political party or a minor political party; or

(B) Is established under the bylaws of a major political party or a minor political party.

[(19)] **(25) “Public office” means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.**

[(20)] **(26) “Recall petition” means a petition to recall a public officer for which a prospective petition has been filed but that is not yet a measure.**

[(21)] **(27) “Referendum petition” means a petition to refer a measure for which a prospective petition has been filed but that is not yet a measure.**

[(22)] **(28) “Regular district election” means the regular district election described in ORS 255.335.**

(29) “Small donor committee” means a political committee that supports or opposes one candidate designated at the time that the statement of organization under this section is filed.

[(23)] **(30) “State office” means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and**

Industries, state Senator, state Representative, judge or district attorney.

SECTION 5. 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 must include:

(a) The name, address and nature of the committee. The address must 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) **Whether the political committee will operate as one of the following:**

(i) **Legislative caucus political committee.**

(ii) **Multi-legislative candidate political committee.**

(iii) **Political party committee.**

(iv) **Principal campaign committee.**

(v) **Small donor committee.**

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

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

(2) In addition to the information listed in subsection (1) of this section, the statement of organization must include, or be amended within five busi-

ness days to include, 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 subsection except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

(3) 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.

(4) 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.

(5) The statement of organization must be filed not later than the date specified in ORS 260.035.

(6) Except as provided in subsection (2) of this section, any change in information submitted in a statement of organization under subsections (1) and (2) of this section must be indicated in an amended statement of organization filed not later than the 10th day after the change in information.

(7) A major political party or minor political party may not establish more than one legislative caucus political committee in the Senate and one legislative caucus political committee in the House of Representatives.

[(7)] (8) 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 of-

1 fice.

2 **SECTION 6.** ORS 260.041 is amended to read:

3 260.041. (1) Notwithstanding ORS 260.005 [(18)] **(23)** and except as pro-
4 vided in ORS 260.043, a candidate shall designate a political committee as
5 the candidate's principal campaign committee. A candidate may designate
6 only one political committee as the candidate's principal campaign commit-
7 tee.

8 (2) A political committee may not be designated as the principal campaign
9 committee of more than one candidate.

10 **SECTION 7.** ORS 260.044 is amended to read:

11 260.044. (1) If a person makes independent expenditures in a total amount
12 of more than \$250 in a calendar year, the person shall use the electronic
13 filing system adopted under ORS 260.057 to file with the Secretary of State
14 a statement of independent expenditures not later than seven calendar days
15 after the total amount of independent expenditures exceeds \$250 in a calen-
16 dar year.

17 (2) A person who files a statement of independent expenditures under
18 subsection (1) of this section shall use the electronic filing system adopted
19 under ORS 260.057 to file with the secretary additional statements of inde-
20 pendent expenditures made by the person, as described in ORS 260.083.

21 (3) Except as provided in subsections (4) and (5) of this section, a person
22 shall file a statement described in subsection (2) of this section not later
23 than 30 calendar days after an independent expenditure is made.

24 (4)(a) A person shall file a statement described in subsection (2) of this
25 section not later than seven calendar days after an independent expenditure
26 is made. This paragraph applies to independent expenditures made:

27 (A) During the period beginning on the 42nd calendar day before the date
28 of any primary election and ending on the date of the primary election; and

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

31 (b) If the person makes an independent expenditure prior to the 42nd

calendar day before the date of the primary or general election and the person has not filed a statement under subsection (3) of this section by the 43rd calendar day before the date of the primary or general election, the person shall file a statement described in subsection (2) of this section not later than whichever of the following dates occurs first:

(A) The date required under subsection (3) of this section; or

(B) The 35th calendar day before the date of the primary or general election.

(5) For any special election, the secretary by rule may establish a period during which a person must file a statement described in subsection (2) of this section. The period may not extend beyond seven calendar days after an independent expenditure is made.

(6) Notwithstanding ORS 260.005 [(18)] **(23)**, a person who solicits and receives a contribution or contributions is a political committee and shall file a statement of organization under ORS 260.042 and the statements required by ORS 260.057, 260.076 or 260.078.

(7) For purposes of this section:

(a) An independent expenditure does not include a contribution to a candidate or political committee that is required to report the contribution on a statement filed under ORS 260.057, 260.076 or 260.078 or a certificate filed under ORS 260.112;

(b) An independent expenditure does not include a contribution to a candidate who is not required to file a statement of organization under ORS 260.043; and

(c) A person is not a political committee under subsection (6) of this section if all contributions received by the person are:

(A) Designated to an identified candidate or political committee;

(B) Delivered by the person to the designated candidate or political committee not later than seven business days after the contribution is received; and

(C) Required to be reported as contributions by a candidate or political

committee on a statement filed under ORS 260.057, 260.076 or 260.078 or a certificate filed under ORS 260.112.

SECTION 8. ORS 260.083 is amended to read:

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

(A) The name, occupation and address of each person, and the name and address of each political committee or petition committee, that contributed an aggregate amount of more than \$100 in a calendar year on behalf of a candidate or to a political committee or petition committee and the total amount contributed by that person or committee; and

(B) The total amount of other contributions as a single item, but shall specify how those contributions were obtained.

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

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

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

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

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

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

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

(2) An expenditure shall be reported as an account payable only if the expenditure is not paid within the time specified in ORS 260.057, 260.076 or

260.118.

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

(4) If a candidate, political committee or petition committee under ORS 260.057 or 260.118 makes an expenditure that must be reported as an in-kind contribution and an expenditure as provided in subsection (3) of this section, the candidate, political committee or petition committee making the original expenditure shall, in any statement filed under ORS 260.057, 260.078 or 260.118, identify the expenditure as an in-kind contribution and identify the candidate, political committee or petition committee for whose benefit the expenditure was made.

(5) If a political committee makes an expenditure that qualifies as an independent expenditure under ORS 260.005 [(10)] (11), the listing of the expenditure under this section shall identify any candidates or measures that are the subject of the independent expenditure and state whether the independent expenditure was used to advocate the election, passage or defeat of the candidates or measures.

(6) As used in this section:

(a) "Address" has the meaning given that term in rules adopted by the Secretary of State.

(b) "Contribution" and "expenditure" include a contribution or expenditure to or on behalf of an initiative, referendum or recall petition.

SECTION 9. ORS 260.266 is amended to read:

260.266. (1) Except as otherwise provided by a local provision, a communication in support of or in opposition to a clearly identified candidate must state the name of the persons that paid for the communication.

(2) For the purpose of complying with subsection (1) of this section:

(a) Except as provided in paragraph (b) of this subsection, a communication in support of or in opposition to a clearly identified candidate by a political committee or petition committee must state:

1 (A) The name of the political committee or petition committee; and

2 (B) The names of the five persons that have made the largest aggregate
3 contributions of \$10,000 or more to the committee in the election cycle in
4 which the communication is made.

5 (b) A communication in support of or in opposition to a clearly identified
6 candidate by an individual, a for-profit business entity or a candidate or the
7 principal campaign committee of a candidate must state the name of the in-
8 dividual, for-profit business entity or candidate.

9 (c)(A) A communication in support of or in opposition to a clearly iden-
10 tified candidate by a person not described in paragraph (a) or (b) of this
11 subsection must state:

12 (i) The name of the person; and

13 (ii) Except as provided in subparagraph (B) of this paragraph, the names
14 of the five persons that have made the largest aggregate donations of \$10,000
15 or more to the person in the election cycle in which the communication is
16 made.

17 (B) In identifying persons that have made aggregate donations of \$10,000
18 or more, a person described in this paragraph may exclude:

19 (i) Donations received from an affiliated charitable organization that is
20 tax exempt under section 501(c)(3) of the Internal Revenue Code; and

21 (ii) Donations and grants received from foundations and other persons
22 that may not be used to make a communication in support of or in opposition
23 to a clearly identified candidate.

24 (d) Notwithstanding paragraphs (a) to (c) of this subsection, a digital
25 communication may state only the name of the person that made the com-
26 munication if the digital communication includes an active link to a website
27 that prominently displays the additional information required by this sub-
28 section.

29 (3) A person that makes communications in support of or in opposition
30 to a clearly identified candidate must consider an anonymous donation of
31 \$1,000 or more from a single person to be a donation that may not be used

to make a communication in support of or in opposition to a clearly identified candidate.

(4)(a) If a person is required to disclose the names of five persons under subsection (2)(a)(B) or (c)(A)(ii) of this section and more than five persons qualify as having made the largest aggregate contributions or donations, the person shall disclose the five applicable persons whose contributions or donations were made closest to the date of initial printing or transmission of the communication.

(b) Except as provided in paragraph (c) of this subsection, the five persons required to be named under subsection (2)(a)(B) or (c)(A)(ii) of this section must be accurate as of 10 days before the most recent payment to print or transmit the communication.

(c) A person that both makes multiple digital communications in support of or in opposition to a clearly identified candidate and uses the method described in subsection (2)(d) of this section to meet the identification requirements of subsection (2)(a)(B) or (c)(A)(ii) of this section, may use one active link to the same website for all digital communications made by the person, provided that the information on the website is accurate as of 10 days before the most recent payment to print or transmit a communication.

(5) This section does not apply to:

(a) Candidates for federal office.

(b) Candidates other than those described in paragraph (a) of this subsection who are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(c) Petition committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(d) Political committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(e) A person that makes independent expenditures and that is exempt under ORS 260.044 from being required to file statements of independent expenditures using the electronic filing system adopted under ORS 260.057.

(f) A communication that is excluded from the definition of “expenditure” under ORS 260.007.

(g) Items of de minimis value relating to a candidate, including but not limited to:

(A) Lawn signs, pins, pens and other similar items;

(B) Skywriting; or

(C) Wearable merchandise.

(h) Any other item that the Secretary of State by rule determines is too small to feasibly include the identifying information required by this section.

(6) The Secretary of State by rule shall prescribe the form of statements required on communications described in this section. Rules adopted under this subsection must ensure that the information required to be included in communications under this section is:

(a) In a font, size and color that are easy for an average person to read, if the communication appears in a print or digital format; and

(b) Clearly audible to the average person, if the communication appears in an audio format.

(7) As used in this section:

(a) “Clearly identified” has the meaning given that term in ORS 260.005 [(10)(b)] **(11)(b)**.

(b)(A) Except as provided in subparagraph (B) of this paragraph, “communication in support of or in opposition to a clearly identified candidate” means:

(i)(I) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office; and

(II) The electoral portion of the communication is unmistakable, unambiguous and suggestive of only one meaning; or

(ii)(I) The communication involves aggregate expenditures by a person of more than the amount provided in ORS 260.044 (1);

(II) The communication refers to a clearly identified candidate who will appear on the ballot; and

(III) The communication is printed or transmitted to the relevant electorate within the time frame provided in ORS 260.005 [(10)(c)(B)(iii)] (11)(c)(B)(iii).

(B)(i) "Communication in support of or in opposition to a clearly identified candidate" includes but is not limited to communications distributed via print, telephone, radio, television or the Internet.

(ii) "Communication in support of or in opposition to a clearly identified candidate" does not include newspaper editorials, printed advertisements with a fair market value of less than \$500 or communications made via telephone that have a fair market value of less than \$500.

(c)(A) "Donation" means the gift or transfer of moneys or any other item of value to a person subject to subsection (2)(c)(A) of this section, including any membership fees, dues or assessments.

(B) "Donation" does not include moneys or any other item of value received by a person subject to subsection (2)(c)(A) of this section in the ordinary course of a trade or business conducted by the person.

(d) "Election cycle" means the period of time starting on the day after the date of a general election and ending on the date of the next general election.

(e) "Local provision" means a charter provision, ordinance, resolution or other provision adopted by a city, county or other local government.

SECTION 10. ORS 260.275 is amended to read:

260.275. As used in ORS 260.275 to 260.285:

(1) "Anonymous donation" means a donation for which the covered organization does not possess the donor name or address that is required under

ORS 260.281.

(2) “Communication in support of or in opposition to a clearly identified candidate or measure” has the meaning given that phrase in ORS 260.005 [(10)(c)] **(11)(c)**.

(3) “Covered organization” means a combination of two or more individuals, or a person other than an individual, political committee, petition committee or a not-for-profit corporation that is tax exempt under section 501(c)(3) of the Internal Revenue Code, that both accepts donations and makes political communications.

(4)(a) “Donation” means the gift or transfer of moneys or any other item of value to a covered organization, including any membership fees, dues or assessments.

(b) “Donation” does not include moneys or any other item of value received by a covered organization in the ordinary course of a trade or business conducted by the covered organization.

(5) “Donor” means a person that makes a donation to a covered organization.

(6) “Election cycle” means the period of time starting on the day after the date of a general election and ending on the date of the next general election.

(7) “Electioneering threshold for a legislative race” means political communications made by a covered organization of less than \$25,000 for a particular seat of the Legislative Assembly.

(8)(a) Except as provided in paragraphs (b) and (c) of this subsection, “electioneering threshold for a measure” means political communications made by a covered organization of less than \$100,000 for a particular measure.

(b) For a city measure in a city with a population of less than 60,000, “electioneering threshold for a measure” means political communications made by a covered organization of less than \$25,000 for a particular city measure.

(c) For a county measure in a county with a population of less than 60,000, “electioneering threshold for a measure” means political communications made by a covered organization of less than \$25,000 for a particular county measure.

(9) “Electioneering threshold for a political committee” means political communications made by a covered organization of less than \$100,000 for a particular political committee.

(10) “Electioneering threshold for a statewide race” means political communications made by a covered organization of less than \$100,000 for a particular state office as defined in ORS 249.215.

(11)(a) “Political communication” means a communication in support of or in opposition to a clearly identified candidate or measure.

(b) “Political communication” does not include:

(A) A communication by a covered organization to its current members, stockholders or executive or administrative personnel;

(B) A communication that constitutes lobbying as defined in ORS 171.725; or

(C) A communication excluded from the definition of “expenditure” under ORS 260.007.

SECTION 11. Chapter 3, Oregon Laws 2007, is repealed.

SECTION 12. (1) Sections 2 and 3 of this 2020 Act and amendments to ORS 260.005, 260.041, 260.042, 260.044, 260.083, 260.266 and 260.275 by sections 4 to 10 of this 2020 Act become operative either on September 1, 2021, or when the Secretary of State determines that the secretary has taken all preparatory steps necessary to implement sections 2 and 3 of this 2020 Act and amendments to ORS 260.005, 260.041, 260.042, 260.044, 260.083, 260.266 and 260.275 by sections 4 to 10 of this 2020 Act, whichever date comes first.

(2) If the Secretary of State determines that the secretary has taken all preparatory steps necessary to implement sections 2 and 3 of this 2020 Act and amendments to ORS 260.005, 260.041, 260.042, 260.044,

1 260.083, 260.266 and 260.275 by sections 4 to 10 of this 2020 Act before
2 September 1, 2021, as specified in subsection (1) of this section, the
3 secretary shall notify the Office of Legislative Counsel of the deter-
4 mination, in writing, within 30 days.

5 SECTION 13. The Secretary of State may take any action before the
6 appropriate operative date specified in section 12 of this 2020 Act that
7 is necessary for the Secretary of State to exercise, on and after the
8 appropriate operative date specified in section 12 of this 2020 Act, all
9 of the duties, functions and powers conferred on the Secretary of State
10 by this 2020 Act.

11 _____