



Honest Elections

honest-elections.com

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National Study of Anti-Corruption (Nov. 2015) Grades **Oregon: F**

Public Access to Information **F**

Political Financing **F**

Executive Accountability **F**

Legislative Accountability **D-**

Procurement **F**

Lobbying Disclosure **F**

Ethics Enforcement Agencies **F**



Worst States in Political Finance Regulation (2015)

45. North Dakota

46. Virginia

47. Indiana

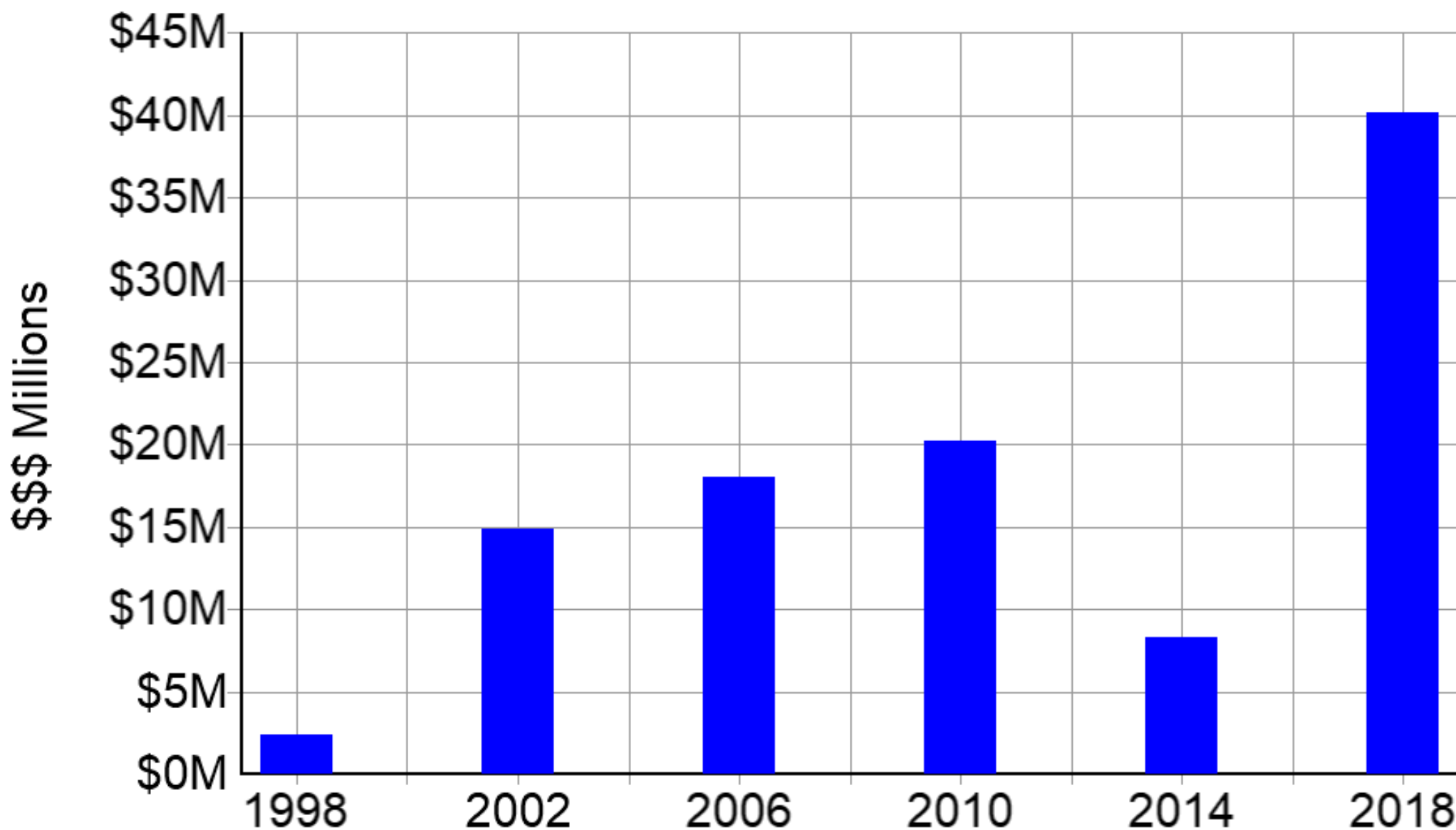
48. Wyoming

49. Oregon

50. Mississippi



Spending on Oregon Governor Races



Knute Buehler Contributors 2018

Phil Knight	\$3,425,000	Nike (sports apparel)
Republican Governors Assn	3,361,900	corporations
Oregon Republican Party	1,646,051	corporations
James Young	350,000	Entek Corp. (batteries)
George Austin, Jr.	350,000	A-dec Corp. (dental)
Henry Swigert	283,000	ESCO (mining equip)
Pape Group	256,000	timber cutting, wood products

Knute Buehler Contributors 2018

Freres Lumber	\$ 223,000	timber cutting, wood products
Roseburg Forest Products Co.	160,000	forestry & construction equipment
Entec International	100,000	mining equipment
Hayden Homes LLC	115,000	house construction
Thomas Cook	163,000	Taco Bell franchisee
Giustina Resources	101,000	timber cutting, wood products
Seneca Jones Corp.	145,000	
Oregon Realtors Assn	115,000	realtors

Kate Brown Contributors 2018

Democratic Governors Assn	2,029,293	corporations, unions, wealthy persons
Defend Oregon's Values	893,000	union PAC
OR Democratic Party	872,000	
Everytown fr Gun Safety	750,000	Michael Bloomberg
Oregon League Conservation Voters	750,000	environmental PAC
OR Public Employees 503	653,000	union
Emily's List	825,000	national PAC

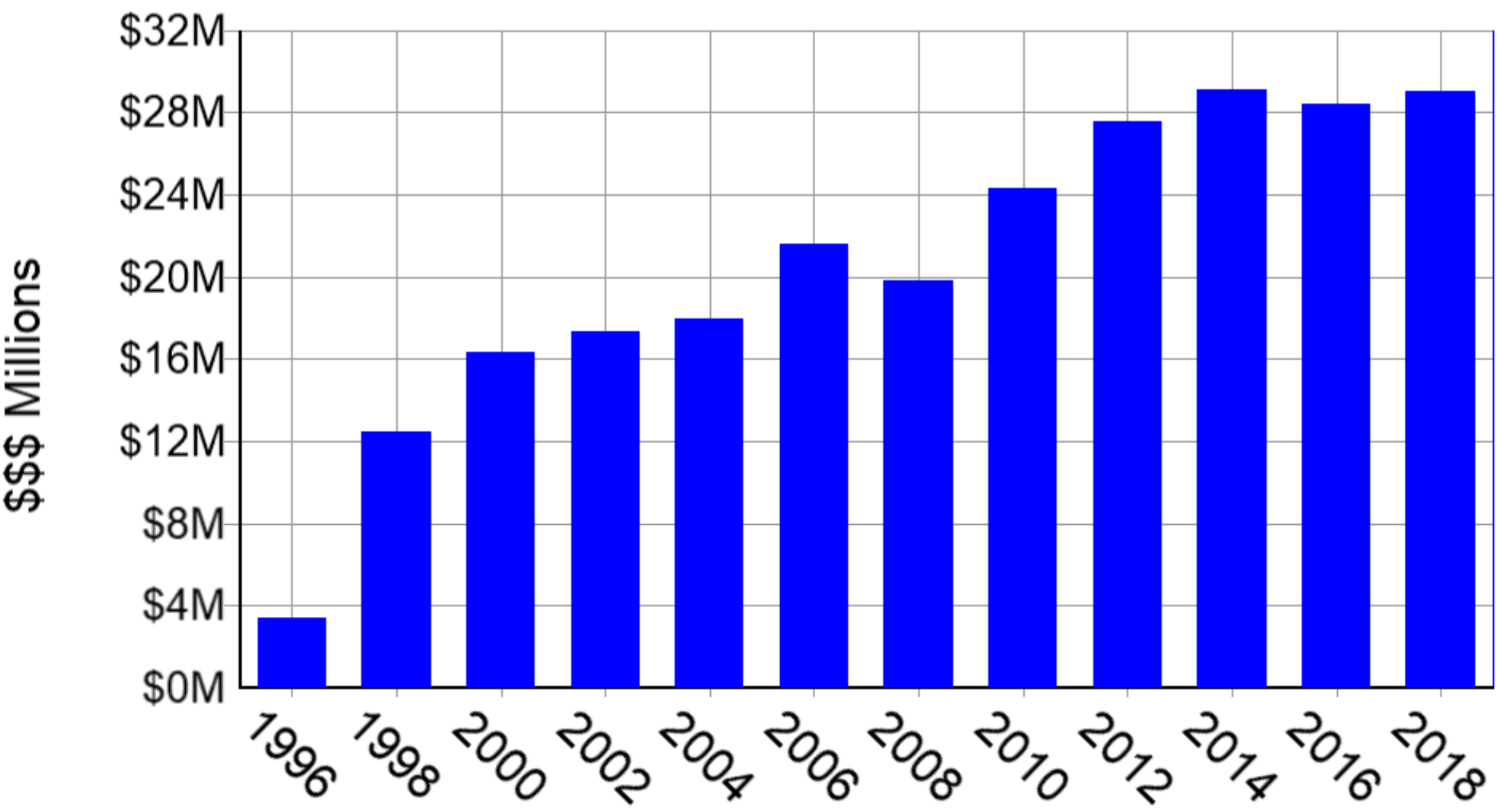
Kate Brown Contributors 2018

Laborers' Political League	\$ 150,000	labor union
UFCW. Int'l Union	175,000	labor union
AFSCME	250,000	labor union
AFL-CIO	131,000	labor union
OR Education Assn	240,000	teachers union
OR Health Care Assn	156,000	nursing homes
Planned Parenthood	150,000	medical services

Kate Brown Contributors 2018

Local 48 Electricians PAC	\$ 116,000	labor union
Nike, Inc.	110,000	sports apparel
Steve Silberstein	100,000	software (California)
SEIU 49	100,000	labor union
American Federation of Teachers	100,000	teachers union
George Soros	25,000	billionaire investor
Oregon Nurses Assn	109,000	union

Spending on Oregon Legislature Races



Oregon Legislature 2012 – 2018: Average Spending by Top 10 Candidates:

Oregon Senate

2018 \$ 627,000

2016 \$ 609,000

2014 \$ 750,000

2012 \$ 550,000

Oregon House

2018 \$ 700,000

2016 \$ 825,000

2014 \$ 684,000

2012 \$ 661,500

2016 Bigger Spenders: Legislature

BYNUM, JANELLE	DEM HOUSE 51	\$ 1,134,000
BUEHLER, KNUTE	REP HOUSE 54	1,126,000
ROBLAN, ARNIE	DEM SENATE 5	1,021,000
FERRIOLI, TED	REP SENATE 30	891,000
ALONZO LEON, TERESA	DEM HOUSE 22	876,000
DEREMER, LORI	REP HOUSE 51	872,000
KNOPP, TIM	REP SENATE 27	862,000
ANDERSON, DICK	DEM SENATE 5	792,000
JOHNSON, MARK	REP HOUSE 52	753,000
MCLANE, MIKE	REP HOUSE 55	916,000

2014 Bigger Spenders: Legislature

STARR, BRUCE	REP	SENATE 15	\$1,051,145
BUEHLER, KNUTE	REP	HOUSE 54	1,009,619
COURTNEY, PETER	DEM	SENATE 11	941,207
RILEY, CHARLES D	DEM	SENATE 15	934,572
GELSER, SARA	DEM	SENATE 08	920,735
BARTON, BRENT	DEM	HOUSE 40	843,031
FAGAN, SHEMAIA	DEM	HOUSE 51	802,902
BATES, ALAN C	DEM	SENATE 03	765,443
DOTTERRER, DAVE	REP	SENATE 03	759,729
MCLANE, MIKE	REP	HOUSE 55	675,605

2012 Bigger Spenders: Legislature

MONNES , LAURIE	DEM	SENATE 25	\$1,002,276
ROBLAN, ARNIE	DEM	SENATE 05	936,815
FERRIOLO, TED	REP	SENATE 30	891,000
FAGAN, SHEMIA	DEM	HOUSE 51	766,622
UNGER, BEN	DEM	HOUSE 29	668,314
EYRE, KATIE	REP	HOUSE 29	660,985
WAND, MATTHEW	REP	HOUSE 49	660,116
GALLEGOS, JOE	DEM	HOUSE 30	648,176
BARTON, BRENT	DEM	HOUSE 40	632,548
HANSEN, SCOTT	REP	SENATE 25	594,274
HOSTICKA, CARL	DEM	HOUSE 37	594,113

Big Spenders Win 92-96%

in races for the Oregon Legislature

- **The candidate who spent the most won:**
 - **96% of the contested seats in 2014**
 - **92% of the contested seats in 2016**
- **Incumbents spent more than challengers:**
 - **93% of contests in 2014**
 - **95% of contests in 2016**

Contribution Limits re Governor

Alaska \$ 500

Colorado \$ 575

Connect. \$ 250

Delaware \$ 1,200

New Hamp \$ 1,000

Rhode Is. \$ 1,000

Kansas \$ 2,000

Maine \$ 1,600

Montana \$ 1,990

West Vir \$ 1,000

Mass. \$ 1,000

Wash. \$ 2,000

Contribution Limits to Legislators

Alaska \$ 500

Colorado \$ 200

Connect. \$ 250

Delaware \$ 600

Kansas \$ 500

Maine \$ 400

Montana \$ 170

Wisconsin \$ 500

Contribution Limit to Legislators: **\$1,000 per Person**

Florida

Rhode Island

Idaho

South Carolina

Massachusetts

South Dakota

Michigan

Vermont

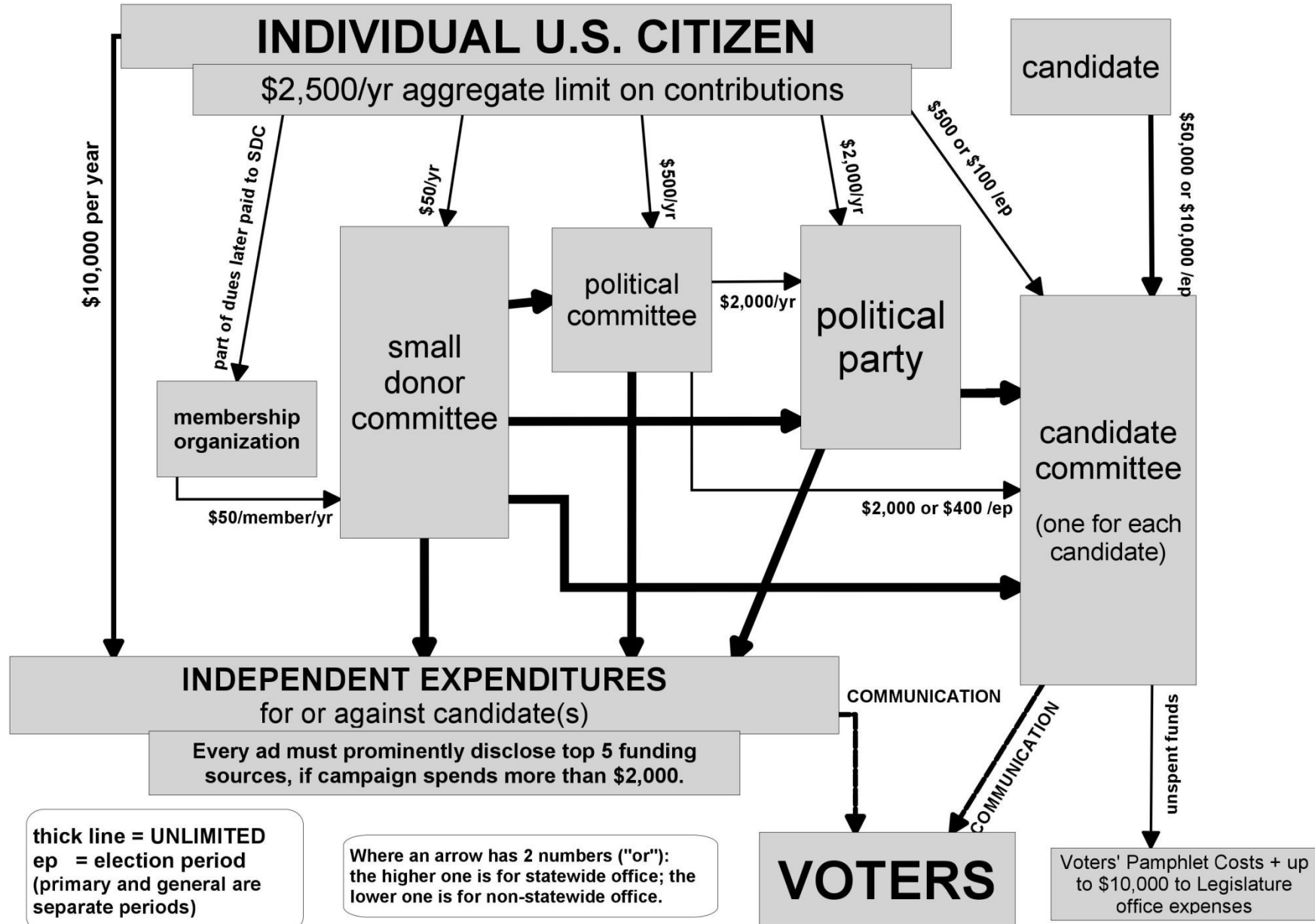
Minnesota

Washington

New Hampshire

West Virginia

Measure 47



Measure 47

ANYONE OR ENTITY

INDIVIDUAL U.S. CITIZEN

\$2,500/yr aggregate limit on contributions

candidate

\$10,000 per year

part of dues later paid to SDC

\$50/yr

\$500/yr

\$2,000/yr

\$500 or \$100 /ep

\$50,000 or \$10,000 /ep

misc. political committee

\$2,000/yr

political party committee

\$50,000 or \$10,000 /ep

membership organization

\$50/member/yr

small donor committee

candidate committee
(one for each candidate)

\$2,000 or \$400 /ep

INDEPENDENT EXPENDITURES

for or against candidate(s)

Every ad must prominently disclose top 5 funding sources, if campaign spends more than \$2,000.

COMMUNICATION

COMMUNICATION

unspent funds

VOTERS

Voters' Pamphlet Costs + up to \$10,000 to Legislature office expenses

thick line = UNLIMITED ep = election period (primary and general are separate periods)

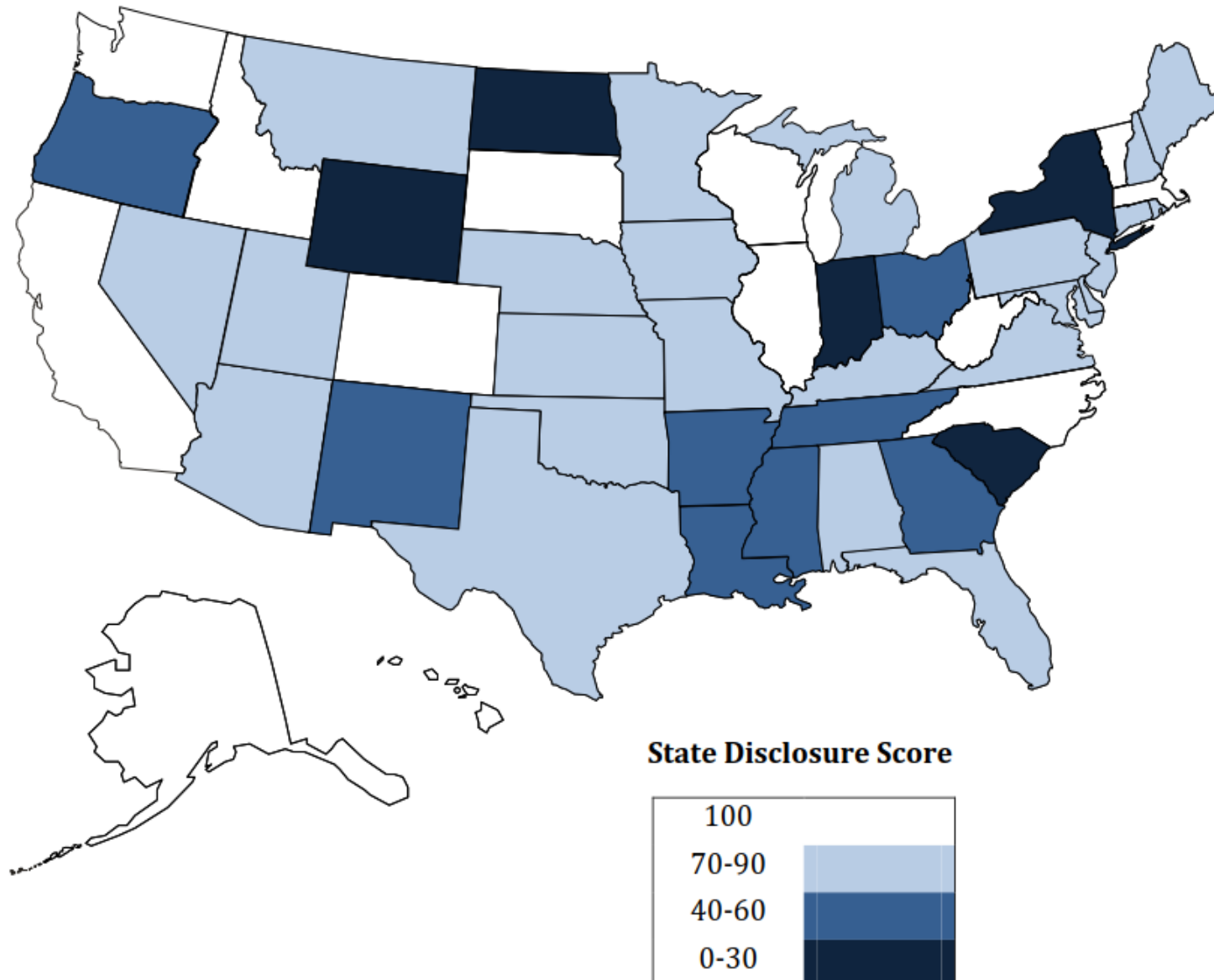
Where an arrow has 2 numbers ("or"): the higher one is for statewide office; the lower one is for non-statewide office.

Oregon Lacks Disclosure

- Oregon Legislature in 2001 repealed law requiring that political ads identify their source
- The Corporate Reform Coalition (75 organizations) in 2012: only 6 states are worse than Oregon in disclosing independent expenditures

Oregon = “F” **Washington = “A”**²¹

Independent \$\$\$ Disclosures



Other States Have Disclosure

11 States require that political ads identify their source, including:

California

Massachusetts

Minnesota

Washington

Hawaii

Maine

Vermont

Montana

Colorado

Arizona

Virginia

**Effect in 2014 Election in Richmond,
California**

Taglines in 2014 Election in Richmond, California

Taglines on candidate ads foiled the massive attempt by Chevron, Inc. in 2014 to take over the government of Richmond, California.

Accidents (including huge explosions) at the Chevron refinery in Richmond released toxic gases. The Richmond City Council pushed for toxic controls and sued Chevron for damages resulting from a major fire in 2012 that sent thousands of Richmond residents to hospitals.

Taglines in 2014 Election in Richmond, California

Chevron tried to take over the city government by running candidates for mayor and all city council seats. Chevron spent over \$3 million promoting its 4 candidates (\$281 per voter), outspending the other candidates by a factor of 50.

But California law required that the ads identify their major funder: Chevron, Inc.

All Chevron's candidates lost overwhelmingly.

“Blurred source of donations reveals quirk in law” (2)

AP · by TOM JAMES · May 11, 2018

The cloaking of campaign funds reveals a loophole in Oregon law: Anonymous donations from individuals are illegal, but donations from anonymously-run corporations are not. A company’s name alone satisfies Oregon laws requiring candidates to list sources of donations, even if company documents don’t list the actual owners.

State licensing laws allow corporations to be set up without listing their actual owners or beneficiaries.

“Loophole makes it tough to follow money in Oregon campaigns”

- [AP](#) · by COOPER GREEN · September 11, 2017

But there’s a hole in the system: The public can only see single transactions on the state’s website and in public records. If a candidate passes contributions to another candidate, or to a re-election fund for fellow party members, the public can no longer see the money’s original donor.

These transactions are pass-throughs — allowed in unlimited quantity under Oregon law.

“Loophole makes it tough to follow money in Oregon campaigns”

- [AP](#) · by COOPER GREEN · September 11, 2017

Statesman Journal analysis of campaign finance shows that candidates have utilized this system of pass-throughs more than 2,800 times in the last 3 election cycles alone, transferring \$18.7 million between themselves.

This means that more than a quarter of all money involved in legislative campaigns has seen more than one lawmaker as it moves through the system.

When asked about the practice, legislative leaders declined to discuss it.

“Blurred source of donations reveals quirk in law”

[AP](#) · by TOM JAMES · May 11, 2018

Anonymous campaign donations are banned in Oregon, but nearly half the money raised by a leading Republican gubernatorial candidate cannot be directly traced because it comes from two out-of-state corporations.

The two corporations have donated \$125,000 of the \$288,000 raised so far by candidate Greg Wooldridge.

Oregon Bribery Statute

ORS 162.015 Bribe giving.

(1) A person commits the crime of bribe giving if the person offers, confers or agrees to confer any pecuniary benefit upon a public servant with the intent to influence the public servant's vote, opinion, judgment, action, decision or exercise of discretion in an official capacity.

(2) Bribe giving is a Class B felony.

Oregon Bribery Statute

ORS 162.025 Bribe receiving.

(1) A public servant commits the crime of bribe receiving if the public servant:

(a) Solicits any pecuniary benefit with the intent that the vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced; or

(b) Accepts or agrees to accept any pecuniary benefit upon an agreement or understanding that the vote, opinion, judgment, action, decision or exercise of discretion as a public servant will thereby be influenced.

Oregon Bribery Statute

ORS 162.005 Definitions.

(1) "Pecuniary benefit" means gain or advantage to the beneficiary or to a third person pursuant to the desire or consent of the beneficiary, in the form of money, property, commercial interests or economic gain, **but does not include a political campaign contribution reported in accordance with ORS chapter 260.**

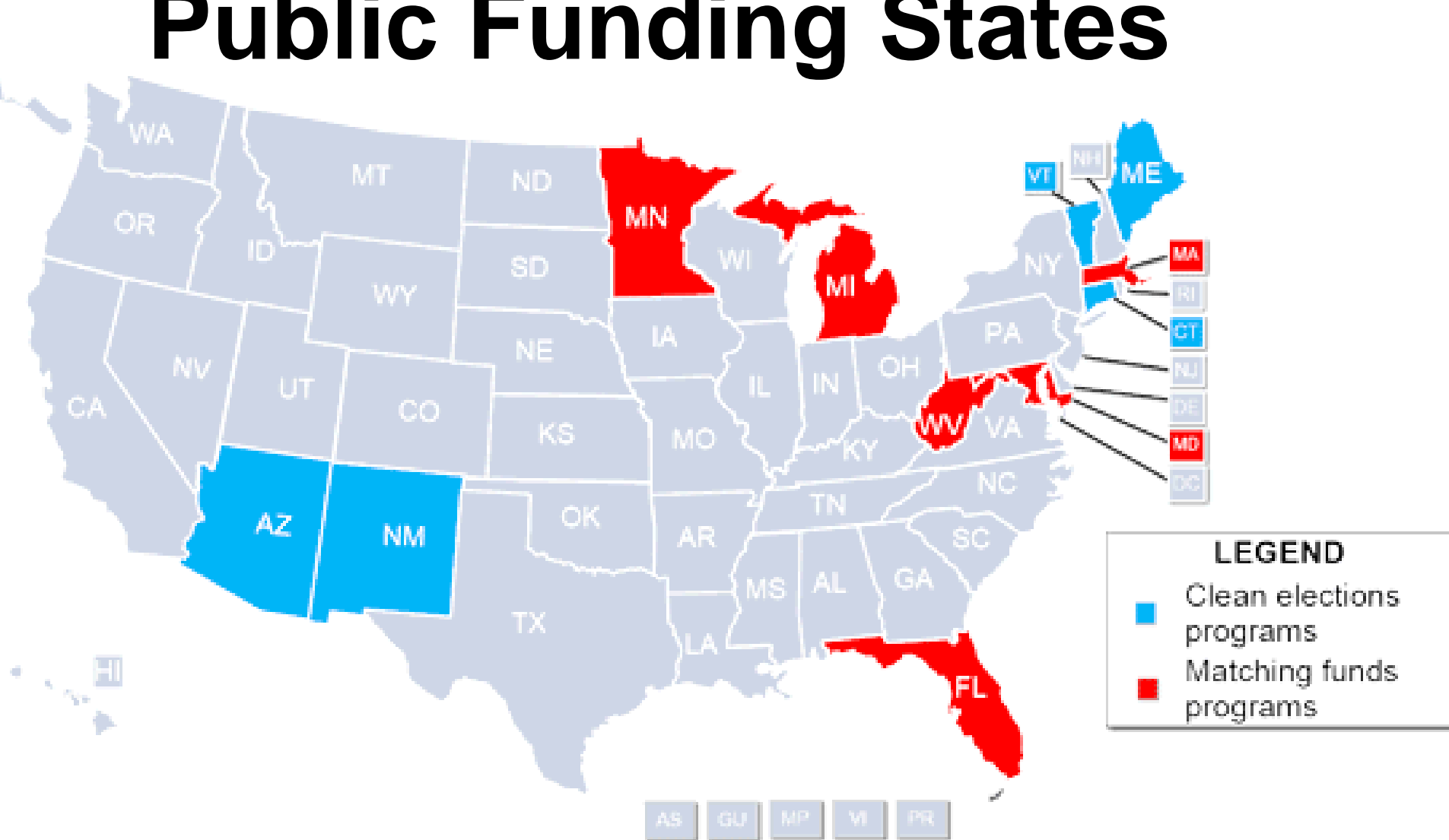
INITIATIVE PETITION 1 (2020)

Oregon laws consistent with the freedom of speech guarantee of the United States Constitution may regulate contributions and expenditures, of any type or description, to influence the outcome of any election; provided, that such laws are adopted or amended by an elected legislative body by a three-fourths vote of each chamber or by initiative.

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Public Funding States



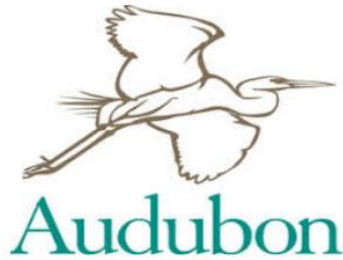
Portland City Charter Amendment

- **Prohibits contributions by corporations and other entities**
- **Limits candidate to receiving \$500 from any individual or PAC**
- **Small Donor Committees can aggregate contributions of \$100 or less and spend as desired**
- **Requires that 5 largest true original sources of funds (of \$500 or greater) be prominently disclosed on political advertisements**

Multnomah County Amendment

- **Prohibits contributions by corporations and other entities**
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- **Small Donor Committees can aggregate contributions of \$100 or less and spend as desired**
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Supporters of PDX 26-200 (2018)



Supporters of PDX 26-200 (2018)



Press Endorsements for PDX 26-200 (2018)



Supporters of Mult 26-184



Public Funding Cities



Seattle 2015 Initiative I-122

Limits individuals and entities to contributions of \$500 to any candidate or political committee

Prohibits contributions by persons or entities:

- **with \$250,000 in city contracts (past 2 years)**
- **which has paid \$5,000 or more to lobby city officials (past year)**

Prohibits lobbying of city by elected officials or high-level staff for 3 years after leaving office

Seattle 2015 Initiative I-122: Vouchers

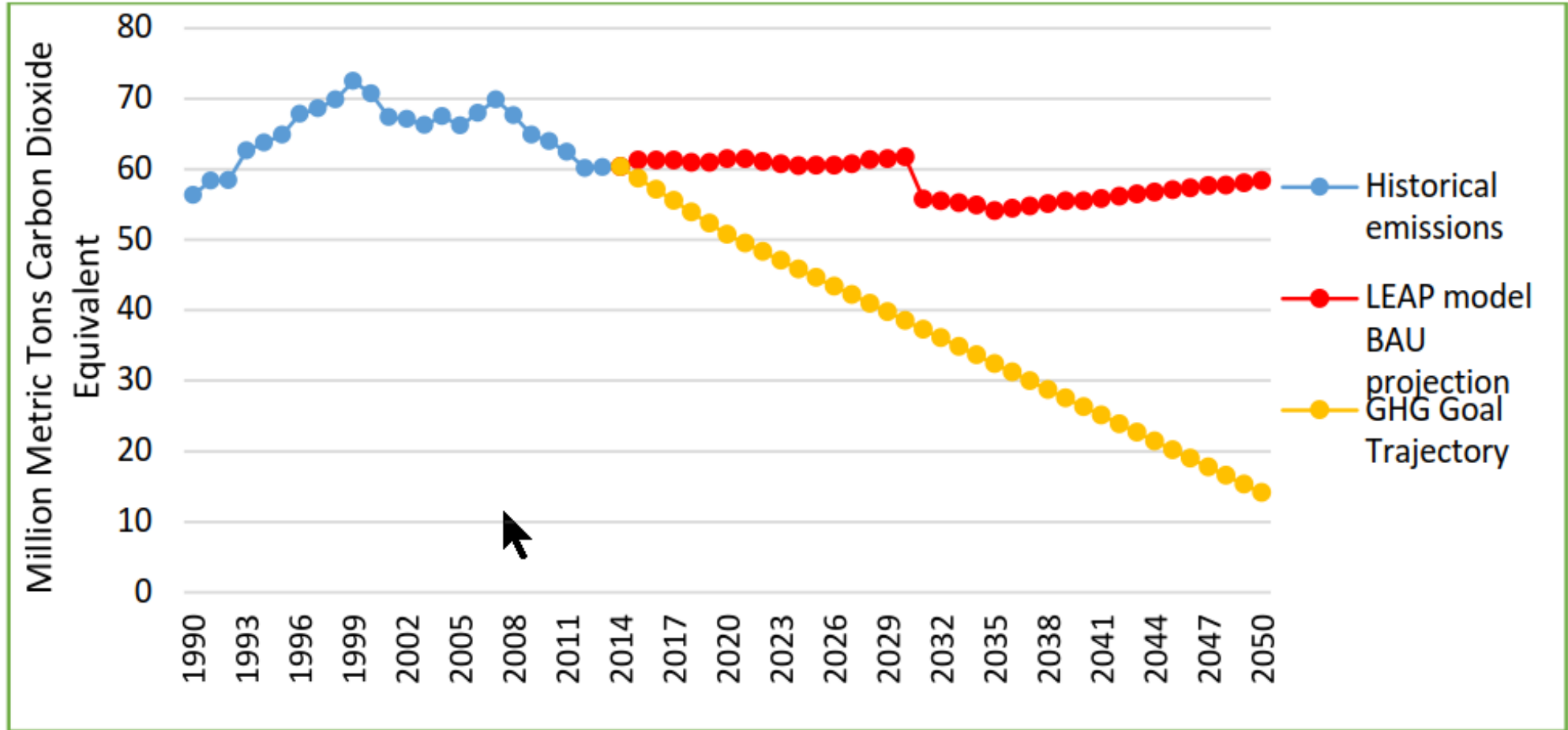
Each voter receives four \$25 vouchers to give to candidates who comply with:

- lower contribution limits (\$500 for mayor, \$250 for city council)**
- spending limits (\$800,000 for mayor, \$300,000 for at-large city council, etc.)**

Vouchers (\$100 per voter) funded by property tax levy = \$3 million per year

Oregon Not Reducing Greenhouse Gas

Figure 1: Statewide Emission Projection



OREGON IS DIESEL DIRTY

Multnomah County air ranks in worst 1% of U.S. counties for diesel particulate pollution; in worst 2% for cancer risk

Portland is the worst city nationwide for respiratory distress

Source: EPA National Air Toxics Assessment
(December 2015)

OREGON IS DIESEL DIRTY

Diesel Pollution in Oregon =

460 premature deaths per year

\$4.5 billion in health costs and lost productivity

Source: EPA National Air Toxics Assessment
(December 2015)

Oregon is Diesel Dump

Oregon becomes dumping ground for California's old, polluting diesel big rigs (Oregonian 2015):

Oregon has become a dumping ground for California's old, polluting big diesel rigs.

About 350,000 trucks in California are being phased out because they fail to meet that state's stricter standards. Trucking companies have found willing buyers in Oregon, where environmental standards are looser.

Oregon is Diesel Dump 2

California's tighter rules, the country's toughest, are cleaning that state's air at the expense of air quality in Oregon and elsewhere. Newer trucks emit 90% less diesel soot, a known carcinogen. The U.S. EPA estimates diesel pollution prematurely kills 460 Oregonians annually.

Health problems such as lung cancer, heart attacks, pre-term and low-weight births, and asthma can be traced to exposure to the soot spewing from old diesel engines.

Oregon is Diesel Dump 3

The shift undercuts Oregon regulators' limited work to reduce the number of older, higher-polluting diesel engines, which pollute the air that Oregonians breathe.

Oregon hasn't done anything to prevent California's unwanted big rigs from coming in, despite plenty of warning. California adopted its rules in 2008.

Oregon isn't just becoming a dumping ground for old trucks. California is also requiring old off-road equipment – bulldozers, backhoes, steamrollers – to stop operating in the state, too. Those are also winding up in Oregon.

75% OF INDUSTRIAL POLLUTERS UNRESTRAINED BY OREGON

More than 75% of Oregon's largest industrial polluters are discharging waste without valid permits. Many permits are more than 20 years out of date. Several facilities have gone for decades without inspection.

Regulations for large-scale industrial polluters were defeated in the 2017 Oregon Legislature.

SOLID WASTE REGULATION REMOVED

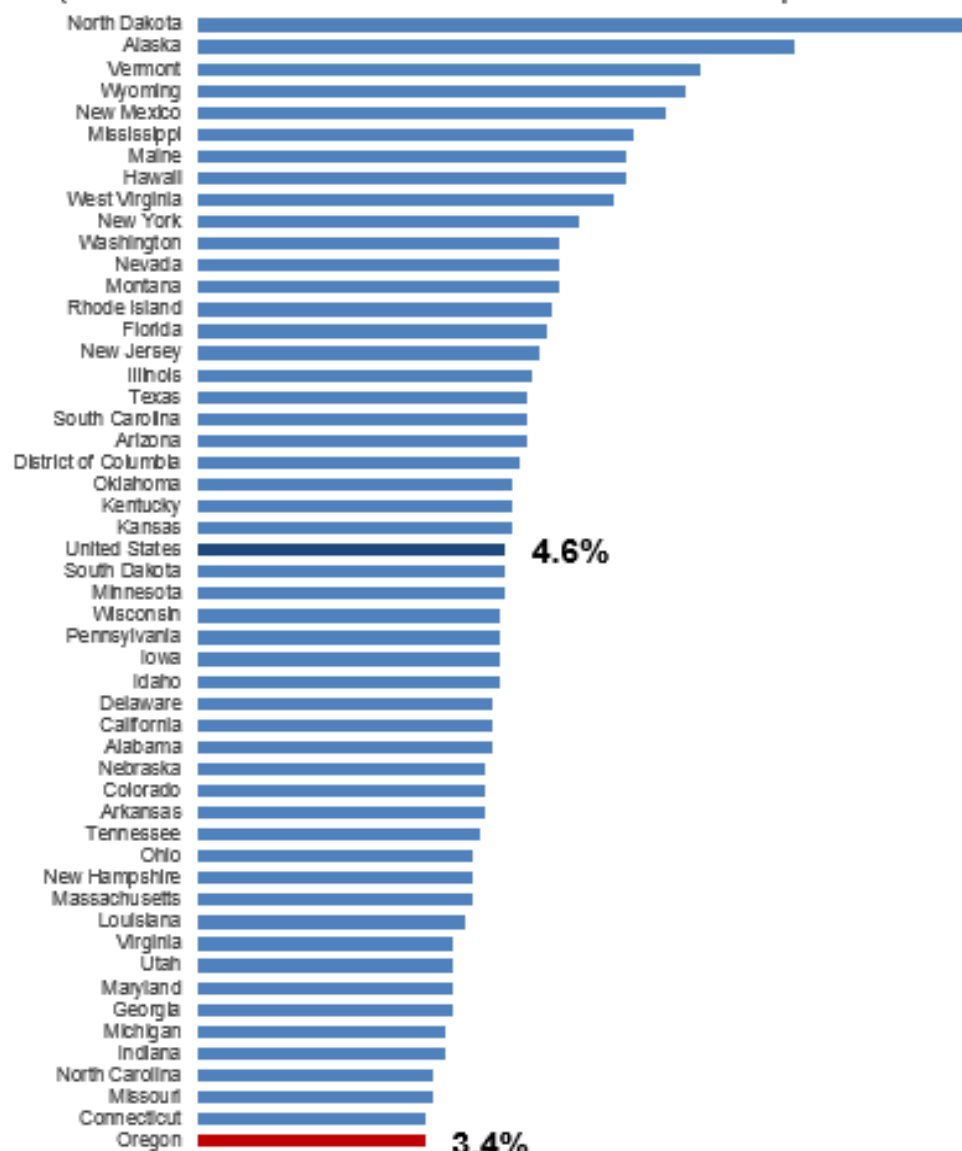
The 2017 Oregon Legislature overwhelmingly voted to remove the regulatory authority for the state agency responsible for regulating the final cover and structural integrity of landfills-- immediately before one of the state's largest regional landfills is scheduled to close.

Business Energy Tax Credit Fraud

A 2016 audit of the state's Business Energy Tax Credits program found that as much as \$340 million in tax credits (out of a total of \$771 million) may have been fraudulently obtained. Despite this report, no action has been taken by the Oregon Legislature to recover these funds.

Oregon's business taxes tied for lowest

(FY 2014 state and local business taxes as a share of private sector GSP by state)

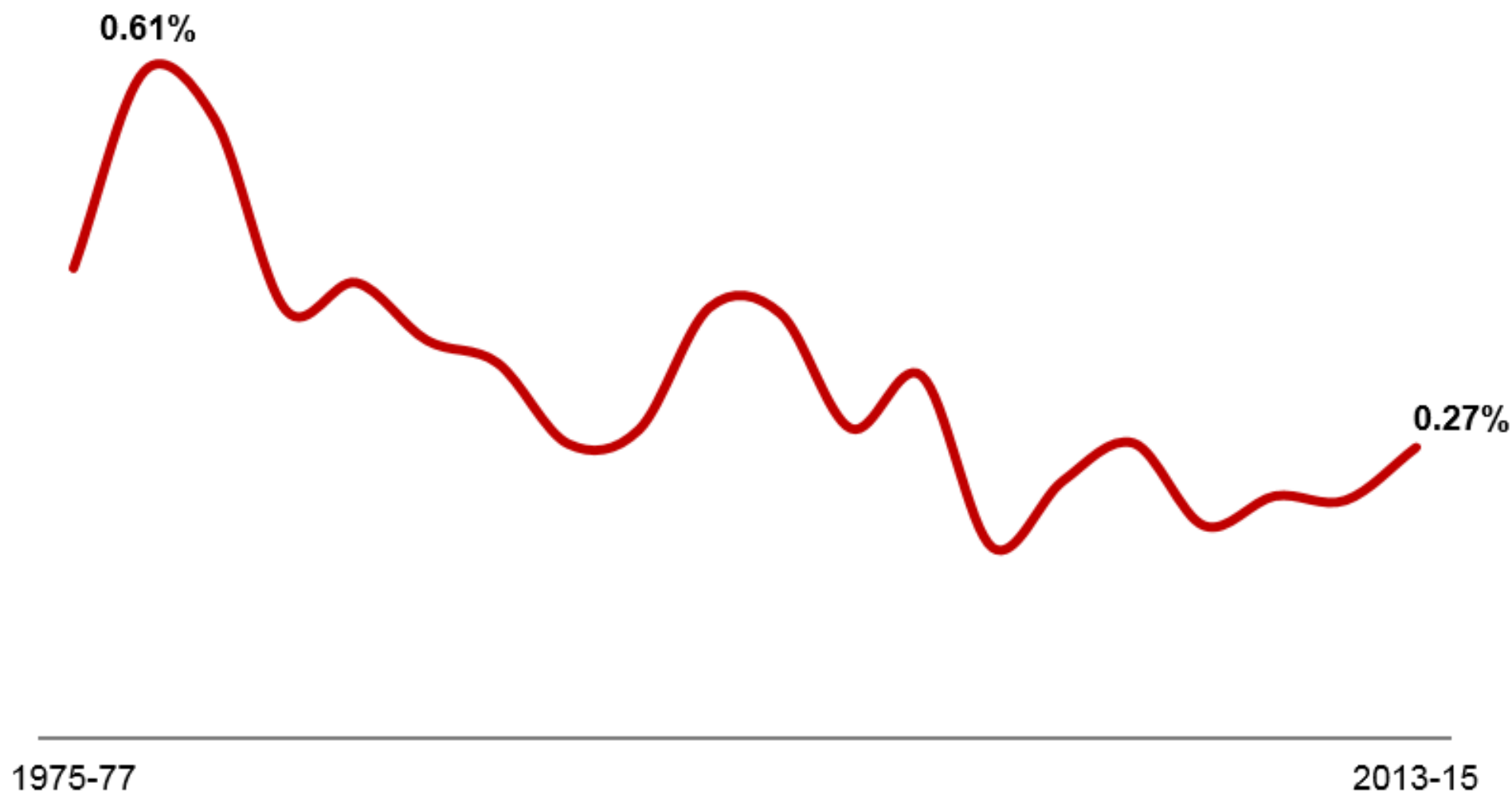


Source: OCPP presentation of Council on State Taxation data.

TABLE 2. States with Lowest Business Tax Burdens, 2015

Rank		Business Tax Burden
1	Oklahoma	6.3%
2	Oregon	6.8%
3	North Carolina	7.0%
4	South Dakota	7.0%
5	Indiana	7.0%
6	Missouri	7.0%
7	Georgia	7.1%
8	Delaware	7.2%
9	Ohio	7.3%
10	Texas	7.3%
<i>U.S. State Average</i>		<i>8.6%</i>

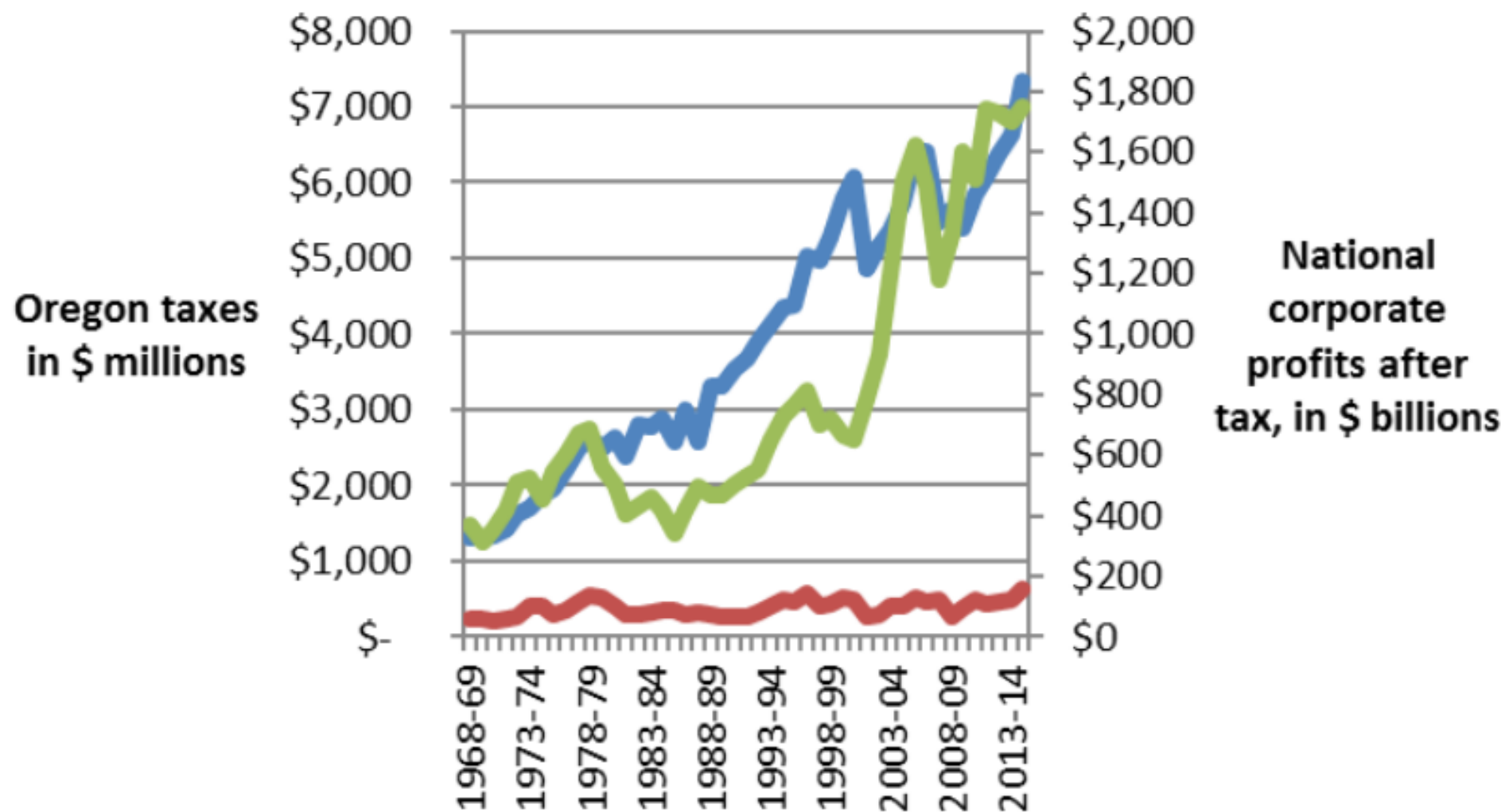
Corporate income tax drops as share of economy



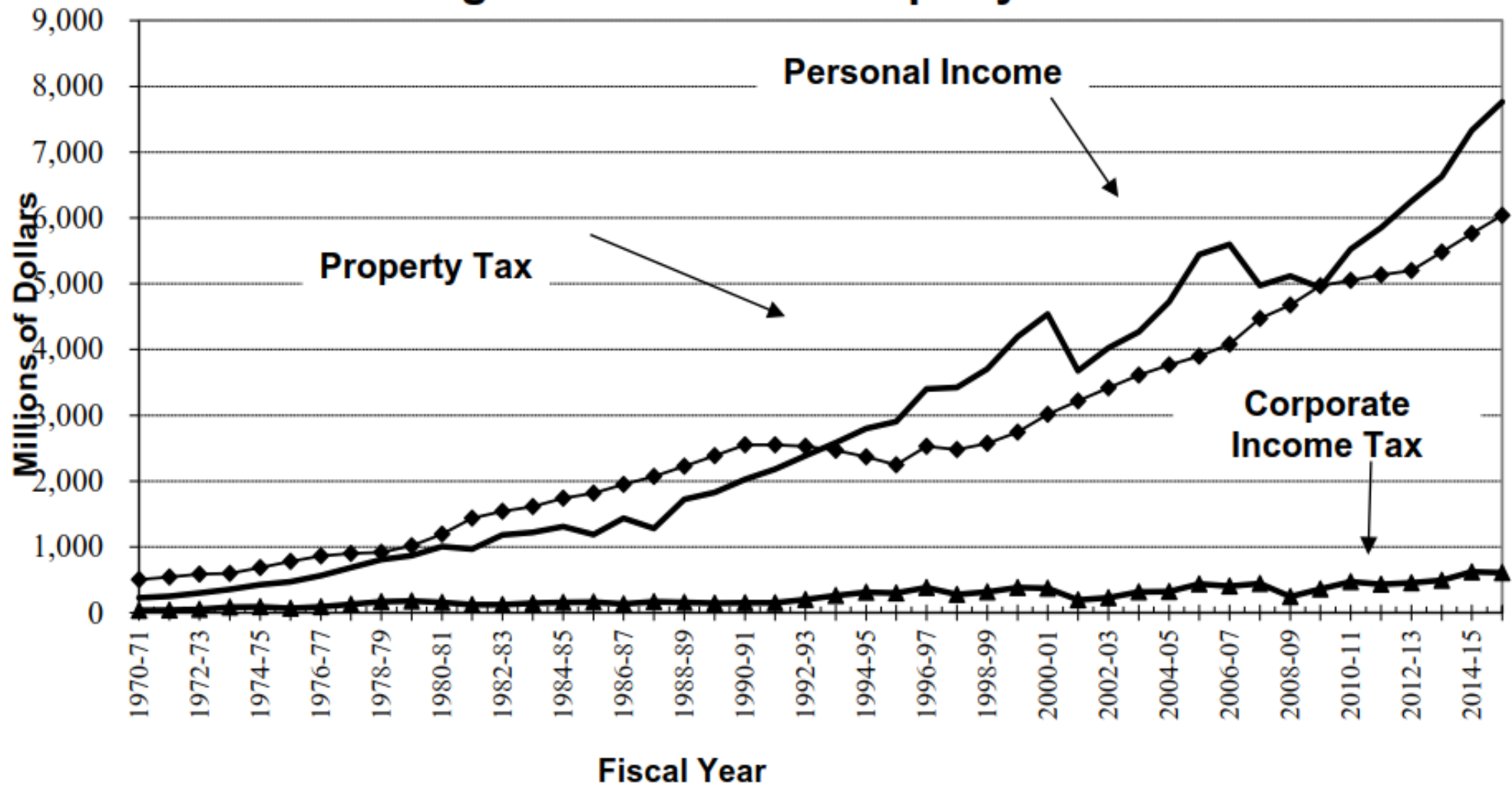
Oregon corporate income taxes as share of gross state product by biennium.

Source: OCPP analysis of Bureau of Economic Analysis and Oregon Office of Economic Analysis data.

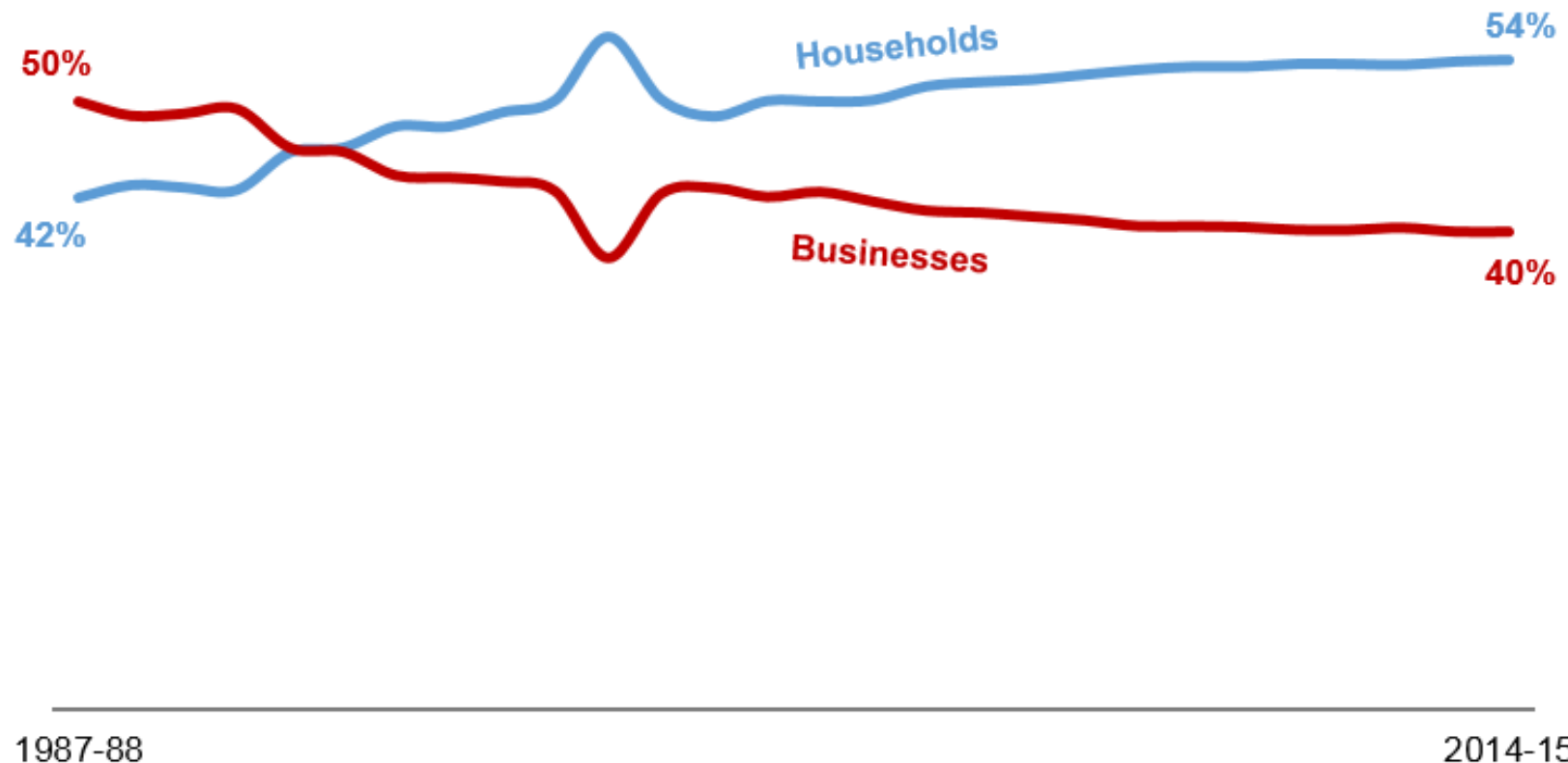
- Personal income tax (2015 \$)
- Corporate income tax (2015 \$)
- National corporate profits after tax (2015 \$)



Oregon Income and Property Taxes

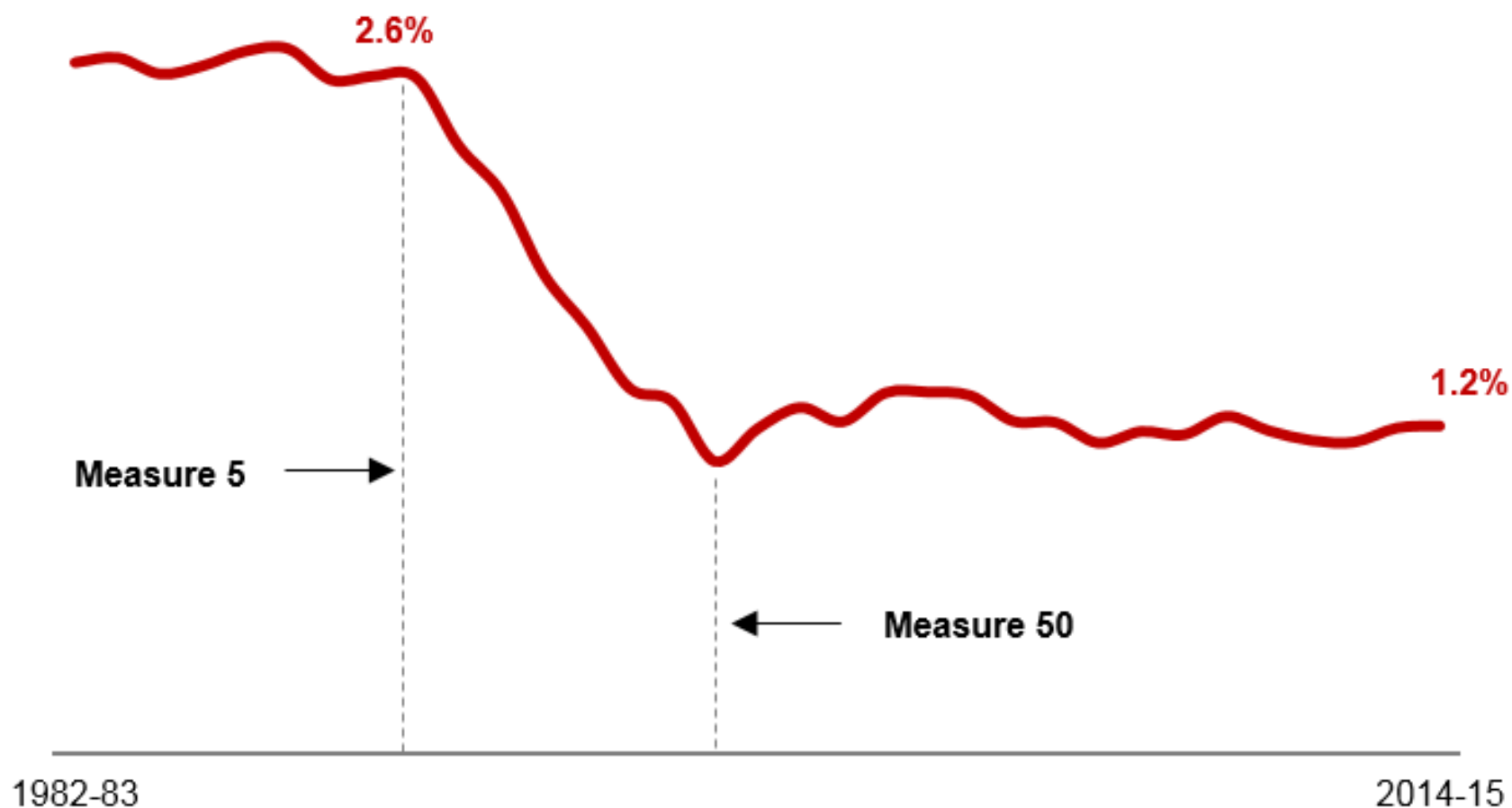


Business share of property taxes has declined



Share of property taxes paid by fiscal year. Figures shown do not include farm or forest property.
Source: OCPP analysis of Oregon Department of Revenue data.

Measures 5 and 50 slashed business property taxes



Property taxes paid by Oregon businesses as share of gross state product.

Source: OCPP analysis of Oregon Department of Revenue and Bureau of Economic Analysis data.

Oregon Taxes the Working Poor

- Oregon ranks 2nd highest in U.S. in share of state and local taxes paid by individuals, not business
- Oregon has the 3rd highest income taxes in U.S. for a family of 4 earning at 125% of poverty line