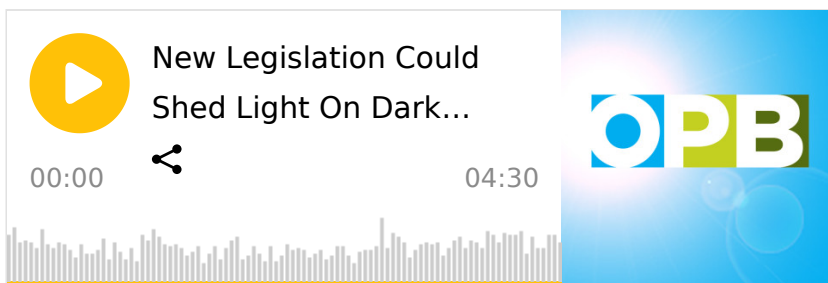




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Oregon Campaign Finance Reformers Focus On 'Dark Money'

by **Jeff Mapes** [Follow](#) OPB March 25, 2019 1:20 p.m. | Updated: March 28, 2019 4:43 p.m. | Portland, Ore.[Download](#)

A group called Priority Oregon ran more than a million dollars in TV ads criticizing Gov. Kate Brown last year, all while keeping its donors secret.

The most controversial ad featured a woman reading young kids a book titled “Kate Brown’s Oregon.” As she reads, she says there are “homeless camps everywhere, foster care children don’t get enough to eat [and] seniors are abused in nursing homes.”

Brown’s campaign unsuccessfully sought to get the ad off the air and the governor recently said that “people were horrified by those ads. I think Oregonians deserve better and they need to know who is funding those campaigns.”

Now, as Brown and other lawmakers move toward tightening lax campaign finance laws, there’s also a move to bring the spending of so-called “dark money” groups like Priority Oregon into the daylight.

Would-be campaign finance reformers say it’s not enough to simply limit how much money donors can give to candidates. They say they also have to do something about the proliferating array of groups that run their own political advertising, often without revealing their financial backers.

Lawmakers are also looking at requiring a wide array of political committees to list their biggest contributors right on their advertising, which California and Washington already do.



Oregon Gov. Kate Brown speaks to reporters from her ceremonial office in the state Capitol in Salem, Ore., Monday, Jan. 14, 2019.

Bradley W. Parks/OPB

Supporters say that would give voters more information about gauzy-named political committees with no indication for what special interest they might actually represent.

“You could have a political action committee that is ‘Wonderful Oregonians for Kittens,’ that is funded by the tobacco companies,” said Rep. Dan Rayfield, D-Corvallis.

History With Campaign Limits

Oregon is one of the few states with no limits on how much donors can give to

candidates in state races, which has helped fuel some of the most expensive legislative races in the country.

But the state learned in 1996 that strict voter-approved limits on campaign donations can drive money to independent advertising campaigns.

The \$100 limit per donor to a lawmaker did help drive down the overall cost of legislative campaigns to \$3.4 million, less than half the \$7.5 million price tag in the previous election cycle.

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constitutional free-speech standards.

Even with the limit in place, more than a third of the 1996 total, \$1.2 million, was spent by interest groups that operated separately from the candidates.

For example, the Oregon Education Association, one of the more powerful forces in state politics, spent nearly \$700,000 on independent advertising promoting its favored candidates and attacking those it opposed. OEA officials made it clear that despite the limits on candidate donations, they weren't willing to surrender their clout in legislative races.

“We played the game that was the game in town,” OEA lobbyist Laurie Wimmer told *The Oregonian* at the time. The voter-approved limits were struck down by the Oregon Supreme Court in 1997, which ruled that they violated state

The court's ruling cast doubt on whether any limits on candidates would pass legal muster in Oregon. The landmark Citizens United ruling in 2010 created further barriers to limiting campaign spending.

Under Citizens United and other key U.S. Supreme Court rulings, state and federal laws can't prevent spending on political advertising by corporations, individuals or interest groups that operate independently of candidates. The court said they have a constitutional right to spend as much as they want to express their political views.

Even without the host of local and federal protections for political spending, some question if there are persistent loopholes in the system that lead to groups like Priority Oregon.

"You can put caps on direct contributions to candidates," said Rayfield, "but that money pops up somewhere else, like a game of whack-a-mole."



Oregon Rep. Dan Rayfield, D-Corvallis.

Casey Minter/OPB

Increasingly, states have been demanding more disclosure from groups that operate behind the shield of tax laws protecting the privacy of nonprofits. This year, Oregon legislators are considering a bill that would require groups like Priority Oregon to publicly report their chief donors.

"You can't stop dark money under Citizens United," said Portland attorney Jason Kafoury, who has led successful efforts to limit campaign spending in Multnomah County and the city of Portland. "The only thing you can do is

disclose who's giving them money and shame them into not doing it."

Gov. Brown and legislative leaders are currently moving toward sending a proposed constitutional amendment to voters that would explicitly allow such caps. At the same time, many lawmakers and campaign finance watchdog groups want to couple the limits with some type of program to provide public funding to campaigns. They say that gives them a way to raise money to get their message out without relying on special interests.

They also want to find a way to reduce – or at least expose – the role of dark-money groups and other independent campaigns.

Business Interests

Nationally, dark money groups are playing an increasingly large role. In last year's November elections, independent political committees reported spending more than \$1 billion. In many close races, they dwarfed the amount spent by the candidates themselves. And this does not include spending by nonprofits that don't report to federal election authorities.

In Oregon, a number of politically-oriented groups have nonprofit arms that run ads commenting on politicians.

But Priority Oregon played an unusually prominent role for a nonprofit in the 2018 elections.

The governor's political spokesman, Thomas Wheatley, said that ad buyers for Brown's campaign estimated Priority Oregon spent about \$1.5 million on those commercials in July and August.

Erica Hetfeld, Priority Oregon's executive director, wouldn't provide any numbers about her group's spending. But she called Wheatley's estimate "pretty low."

She said the amount ran into the "millions" when spending on all forms of media is included. The group also ran ads that criticized legislators supporting gross receipt taxes, as well as "cap and trade" legislation aimed at fighting climate change.

Hetfeld makes no apology for the bruising ads against Brown and key Democratic agenda items – nor for keeping donor names secret.

"I think what we were able to do is set the stage for the election and help people understand that there are major issues in our state government that need to be discussed," she said.



Erica Hetfeld, executive director of Priority Oregon.

Jeff Mapes/OPB

She noted that the state already has a law requiring disclosure for groups that run advertising mentioning a candidate within 60 days of a general election or within 30 days of a primary. Priority Oregon was careful to stay outside that window.

The group, organized as a social welfare nonprofit under 501(c)(4) of the IRS code, promotes itself as supporting policies to improve the economy and provide more "family-supporting jobs." The group is believed to have several business-oriented donors and reported receiving nearly \$1.2

year of operation.

Priority Oregon does not yet have to file a 2018 disclosure report with the IRS. But when it does, there won't be any hint of where the money comes from.

Hetfeld, a former Salem lobbyist for several business interests, said her group's donors have legitimate reasons for staying secret.

"Government officials, who if they disagree with what you're saying to the public, can use the tools of state government to harass you, bully you, try to put you out of business," she said.

The Politics Of Political Cash

Rayfield, the Corvallis legislator, has introduced two measures aimed at requiring nonprofits to publicly report their large donors in certain cases. Under [House Bill 2709](#), that would occur if the group places advertisements that "could only be interpreted by a reasonable person" as advocating the defeat or election of a candidate.

Rayfield dismissed Hetfeld's claim that the Priority Oregon ads weren't aimed at hurting Brown's re-election campaign.

"I would challenge them to run that ad with a hundred people in the room and ask those people if it was a political hit ad," Rayfield said.

Portland attorney Dan Meek, a longtime activist fighting for tight campaign finance limits, argued that it's not enough for Priority Oregon to avoid running ads in the last weeks of an election.

"You can destroy a candidate's reputation outside that window," Meek said.

Ian Vandewalker, a campaign finance expert at the Brennan Center for Justice at New York University, said there have been several legal cases making it clear that states and the federal government can require more disclosure from nonprofits.

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The screenshot shows a podcast player interface. At the top left is a yellow play button icon. To its right, the title 'How Oregon Sentences Juveni...' is displayed. Below the title are share and information icons. A progress bar shows '00:00' on the left and '22:21' on the right. To the right of the progress bar is a blue square with the 'POLITICS NOW' logo in white. Below the player, a summary bar indicates '176 episodes' and '62 hours, 40 minutes'. A list of episodes follows, with the first two visible: 'How Oregon Sentences Ju...' (22:21) and 'Kate Brown's PERS Plan A...' (24:35). Each episode entry includes a play button, the 'POLITICS NOW' logo, the title, an information icon, and the duration.

“Donor disclosure,” he said, “should hinge not on how you organized a group – whether you checked this box or that box – but on, ‘Are you doing political activity?’”

But it’s tricky new ground for Oregon. Rayfield said he is still trying to figure out where to set the threshold in his bill for requiring donor transparency. Currently, his other measure, [House Bill 2983](#), requires disclosures of those giving at least \$50,000 for ads involving legislative candidates and \$250,000 for statewide races.

Meek, who authored the Portland and Multnomah County campaign finance limits, said those reporting thresholds are so large as to be almost meaningless.

Rayfield said the dollar amounts in his bill are “placeholders” while he sees what can attract enough legislative support. He said he doesn’t want to make the requirements too burdensome for nonprofits.

Hetfeld, the Priority Oregon executive director, said many liberal groups in the state – ranging from Planned Parenthood to the Oregon League of Conservation – operate 501(c)(4) nonprofits for years without attracting controversy.

Suddenly, she said, the business-oriented Priority Oregon comes along and gets targeted.

“They’re completely trying to silence their opponents,” charged Hetfeld, who questioned whether strict donor limits would prevent big money from flowing into politics in some fashion.

“Campaign finance limits in other states,” she said, “haven’t stopped people from participating in elections.”

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Measure No. 9

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Proposed by initiative petition to be voted on at the General Election, November 8, 1994.

"contribute" or "contribution" includes:

BALLOT TITLE

9 ADOPTS CONTRIBUTION AND SPENDING LIMITS, OTHER CAMPAIGN FINANCE LAW CHANGES

QUESTION: Shall statutes limit contributions by individuals and groups to certain candidates and PACs, adopt optional spending limits for some candidates?

SUMMARY: Adopts, amends statutes. Limits contributions by individuals, groups, PACs each election to \$500 for statewide candidates, \$100 for legislative candidates, with exceptions. Limits contributions to PACs to \$100 annually, with exceptions. Restricts contributions between candidates and PACs. Defines "contribution." Bans candidates' personal use of campaign funds. Adopts optional campaign spending caps for statewide and legislative offices. No tax credit for contributions to candidates not agreeing to limits. Repeals some political tax credits. Bars some corporate, labor organization contributions. Civil penalties. Other changes.

ESTIMATE OF FINANCIAL IMPACT: In 1994-95, direct state expenditures to implement one-time changes required by this measure will be \$113,000. There will be a direct state revenue increase of approximately \$2.1 million per year because donations to certain committees will no longer be eligible for the income tax political contribution credit.

The Oregon Campaign Finance Reform Act

Relating to elections; creating new provisions; amending ORS 260.005, 260.083, 260.165 and 316.102; repealing ORS 248.095 and sections 25, 60 and 61, chapter 267, Oregon Laws 1987; and appropriating money.

SECTION 1. ORS 260.005 is amended to read:

260.005. As used in this chapter:

(1)(a) "Candidate" means:

(A) An individual whose name is printed on a ballot, for whom a declaration of candidacy, nominating petition or certificate of nomination to public office has been filed, who requested a tally of write-in votes under ORS 249.007 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 [260.005] 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.

(3)(a) Except as provided in section 2 of this 1994 Act,

(A) The payment, [unrepaid] 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; [;]

(i) 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

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

(B) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforceable, to make a contribution.

(b) Regarding a contribution made for compensation or consideration of less than equivalent value, only the excess value of it shall be considered a contribution.

(4) "County clerk" means the county clerk or the county official in charge of elections.

(5) "Elector" means an individual qualified to vote under section 2, Article II, Oregon Constitution.

(6) Except as provided in section 2 of this 1994 Act, "expend" or "expenditure" includes the payment or furnishing of money or any thing 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 in 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. Subject to section 4 of this 1994 Act, "expenditure" also includes contributions made by a candidate or political committee to or on behalf of any other candidate or political committee.

(7) "Filing officer" means the:

(a) Secretary of State, regarding a candidate for any state office or any office to be voted for in the state at large or in a congressional district; or regarding a measure to be voted for in the state at large.

(b) County clerk, regarding a candidate for any county office or any district or precinct office within the county, or regarding a measure to be voted for in one county or in a district situated wholly within one county.

(c) Chief city election officer, regarding a candidate for any city office, or a measure to be voted for in a city only.

(d) County clerk of the county in which the office of the chief administrative officer or administrative board is located regarding a candidate for office for any district or regarding a measure to be voted on in a district, when the district is situated in more than one county.

(8) "Independent expenditure" means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate 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. As used in 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

(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) "Clearly identified" means:

(A) The name of the candidate involved appears;

Measure No. 9

Measure No. 9

(B) A photograph or drawing of the candidate appears; or
 (C) The identity of the candidate is apparent by unambiguous reference.

(c) "Expressly advocating" means any communication containing a message advocating election or defeat, including but not limited to the name of the candidate, or expressions such as "vote for," "elect," "support," "cast your ballot for," or "vote against," "defeat" or "reject."

(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":

(A) Means any arrangement, coordination or direction by the candidate or the candidate's agent 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 candidate's plans, projects or needs provided to the expending person by the candidate or by the candidate's agent, 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 who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's principal campaign committee or agency; and

(B) Does not include 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.

~~[(8)]~~ (9) "Judge" means judge of the Supreme Court, Court of Appeals, circuit or district court or the Oregon Tax Court.

(10) "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work.

~~[(9)]~~ (11) "Measure" includes any of the following submitted to the people for their approval or rejection at an election:

- (a) A proposed law.
- (b) An Act or part of an Act of the Legislative Assembly.
- (c) A revision of or amendment to the Oregon Constitution.
- (d) Local, special or municipal legislation.
- (e) A proposition or question.

~~[(10)]~~ (12) "Occupation" means the nature of an individual's principal business or, if the individual is employed by another person, the nature of the individual's principal business or the business name and address of the employer.

~~[(11)]~~ (13) "Person" means an individual or a corporation, association, firm, partnership, joint stock company, club, organization or other combination of individuals having collective capacity.

~~[(12)]~~ (14) "Political committee" means a combination of two or more individuals, or a person other than an individual, ~~(the primary or incidental purpose of which is to support or oppose any candidate, measure or political party, and which has received a contribution or made an expenditure for that purpose);~~ that has received a contribution or made an expenditure for the purpose of:

- (a) Supporting or opposing a candidate, measure or political party; or
- (b) Making independent expenditures in support of or in opposition to a candidate, measure or political party.

~~[(13)]~~ (15) "Public office" means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.

~~[(14)]~~ (16) "State office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public Instruction, state Senator, state Representative, judge or district attorney.

(17) "With respect to a single election" means, in the case of a contribution to a candidate for public office:

(a) The next election for nomination or election to that public office, other than national or political party office, after the contribution is made; or

(b) In the case of a contribution made after an election and designated in writing by the contributor for a previous election, the election so designated. A contribution may be designated for a previous election under this subsection if the contribution does not exceed the expenditure deficit of the candidate or principal campaign committee of the candidate receiving the contribution.

SECTION 2. As used in this chapter, "contribute," "contribution," "expend" or "expenditure" does not include:

(1) Any written news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless a political committee owns the facility;

(2) An individual's use of the individual's own personal residence, including a community room associated with the individual's residence, to conduct a reception for a candidate, and the cost of invitations, food and beverages provided at the reception;

(3) A vendor's sale of food and beverages for use in a candidate's campaign at a charge less than the normal comparable charge, if the charge is at least equal to the cost of the food or beverages to the vendor;

(4) Any unreimbursed payment for travel expenses an individual makes on behalf of a candidate;

(5) Any loan of money made by a state bank, a federally chartered depository institution or a depository institution insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation or the National Credit Union Administration, other than any overdraft made with respect to a checking or savings account, if the loan bears the usual and customary interest rate for the category of loan involved, is made on a basis that assures repayment, is evidenced by a written instrument and is subject to a due date or amortization schedule. However, each indorser or guarantor of the loan shall be considered to have contributed that portion of the total amount of the loan for which that person agreed to be liable in a written agreement, except if the indorser or guarantor is the candidate's spouse;

(6) Nonpartisan activity designed to encourage individuals to vote or to register to vote;

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

(8) The payment of compensation for legal and accounting services rendered to a candidate if the person paying for the services is the regular employer of the individual rendering the services and the services are solely for the purpose of insuring compliance with the provisions of this chapter; and

(9) The payment by a state or local committee of a political party of the costs of preparation, display or mailing or other distribution incurred by the committee with respect to a printed slate card or sample ballot, or other printed listing, of three or more candidates for any public office for which an election is held in this state. This subsection does not apply to costs incurred by the committee with respect to a

Measure No. 9

Measure No. 9

display of any such listing made on broadcasting stations or in newspapers, magazines or similar types of general public political advertising.

SECTION 3. (1) Subject to section 4 of this 1994 Act and except as provided in subsection (4) of this section, with respect to a single election, a person or political committee shall not contribute an aggregate amount exceeding:

(a) \$500 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Governor, Secretary of State, State Treasurer, Superintendent of Public Instruction, Attorney General, Commissioner of the Bureau of Labor and Industries or judge of the Supreme Court, Court of Appeals or Oregon Tax Court.

(b) \$100 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of State Senator or State Representative.

(2) With respect to a single election, an individual under 18 years of age shall not contribute an aggregate amount exceeding \$25 to any single candidate.

(3) An individual shall not contribute in any calendar year an aggregate amount exceeding \$100 to any one political committee other than a principal campaign committee or a political committee organized exclusively to support or oppose one or more candidates for national or political party office or one or more measures.

(4) Notwithstanding subsection (1) of this section:

(a) With respect to a single election, a political committee established by a political party shall not contribute an aggregate amount exceeding:

(A) \$25,000 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Governor;

(B) \$10,000 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Secretary of State, State Treasurer, Superintendent of Public Instruction, Attorney General, Commissioner of the Bureau of Labor and Industries; or

(C) \$5,000 to a candidate for nomination or election to the office of state Senator or state Representative.

(b) An individual shall not contribute in any calendar year an aggregate amount exceeding \$1,000 to any one political committee organized by a political party.

(5) A candidate, principal campaign committee or other political committee shall not accept a contribution in excess of the limits contained in this section.

(6) Nothing in this section shall limit the amount a candidate may contribute from the candidate's personal funds to the candidate or the candidate's principal campaign committee. Subject to section 6 of this 1994 Act, a candidate may make unlimited expenditures from personal funds.

SECTION 4. (1) Except as provided in subsection (2) of this section:

(a) A candidate or the principal campaign committee of a candidate for other than national or political party office, or a political committee over which a candidate exercises direction or control, shall not make a contribution to:

(A) Another candidate or principal campaign committee of a candidate for other than national or political party office; or

(B) Any other political committee, other than a political committee exclusively supporting or opposing one or more candidates for national or political party office or a political committee organized exclusively to support or oppose one or more measures.

(b) A political committee that is not a principal campaign committee or a political committee over which a candidate exercises direction or control shall not make a contribution

to any other political committee except:

(A) A political committee exclusively supporting or opposing candidates for national or political party office;

(B) A principal campaign committee; or

(C) A political committee organized exclusively to support or oppose one or more measures.

(c) A candidate or the principal campaign committee of a candidate for other than national or political party office, or any other political committee, other than a political party committee, a political committee exclusively supporting or opposing one or more candidates for national or political party office or a political committee organized exclusively to support or oppose one or more measures, shall not accept a contribution from:

(A) A candidate or the principal campaign committee of a candidate for national or political party office; or

(B) A political committee exclusively supporting or opposing one or more candidates for national or political party office.

(d) A candidate for other than national or political party office, the candidate's principal campaign committee or a political committee shall not accept a contribution prohibited by this section.

(2) Nothing in this section shall prohibit:

(a) An individual who is a candidate from making a contribution as an individual from the candidate's personal funds to any candidate, principal campaign committee or other political committee;

(b) A candidate, principal campaign committee or other political committee from accepting a contribution from the personal funds of an individual who is a candidate;

(c) A candidate, the principal campaign committee of a candidate or any other political committee from making a contribution to a political committee that is exclusively supporting or opposing one or more candidates for national office; or

(d) A political committee that is exclusively supporting or opposing one or more candidates for national office from accepting a contribution from any candidate, the principal campaign committee of any candidate or any other political committee.

SECTION 5. As used in sections 5 to 10 of this 1994 Act:

(1)(a) "Attributable expenditure" means an expenditure from contributions, including any loans received, including accounts payable, made or authorized:

(A) By the candidate or by a person acting for the candidate;

(B) For the treasurer of the candidate or the candidate's principal campaign committee; or

(C) For another person or political committee under the direction or control of the candidate or the treasurer of the candidate or the candidate's principal campaign committee.

(b) "Attributable expenditure" does not include an expenditure that is a repayment on a loan or an independent expenditure.

(2) "Secretary" means the Secretary of State.

(3) "Statewide office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Superintendent of Public Instruction and Commissioner of the Bureau of Labor and Industries.

(4) "With respect to the primary election" means the period beginning on the date that the name of a treasurer is certified to the filing officer under ORS 260.035 or 260.037 or the day following the last day of the accounting period for a previous statement of contributions received or expenditures made if the statement shows an unexpended balance of contributions or an expenditure deficit, and ending on the

Measure No. 9

Measure No. 9

20th day after the date of the primary election.

(5) "With respect to the general election" means:

(a) For a candidate nominated by a major political party at the primary election, the period extending from the 21st day after the primary election to December 31; or

(b) For a candidate not nominated at the primary election, the period extending from the date the name of a treasurer for the candidate or the principal campaign committee of the candidate is certified to the filing officer and ending on December 31.

SECTION 6. (1) A candidate for statewide office or the office of state Senator or state Representative may file a declaration of limitation on expenditures as described in section 7 of this 1994 Act with the secretary stating that the candidate, including the principal campaign committee of the candidate, will not make attributable expenditures:

(a) With respect to the primary election, in excess of:

- (A) \$500,000 for the office of Governor;
- (B) \$200,000 for any other statewide office;
- (C) \$30,000 for the office of state Senator; and
- (D) \$20,000 for the office of state Representative.

(b) With respect to the general election, in excess of:

- (A) \$1 million for the office of Governor;
- (B) \$400,000 for any other statewide office;
- (C) \$60,000 for the office of state Senator; and
- (D) \$40,000 for the office of state Representative.

(2) For purposes of this section, attributable expenditures made prior to the applicable primary or general election reporting period in consideration for goods to be delivered or services to be rendered solely during the primary or general election reporting period shall be charged against the expenditure limits described in subsection (1) of this section in the reporting period during which the goods or services are delivered.

(3) A candidate described in subsection (1) of this section who has filed a declaration under this section stating that the candidate will not make attributable expenditures with respect to the primary or general election in excess of the limits described in subsection (1) of this section shall not be bound by the declaration if any opposing candidate for the same nomination or office at the same election has not filed a declaration indicating that the candidate will limit expenditures or has filed the statement but has made expenditures exceeding the applicable limit.

SECTION 7. (1) The declaration of limitation on expenditures filed under section 6 of this 1994 Act shall certify that with respect to the primary or general election, the candidate and the principal campaign committee of the candidate will not incur attributable expenditures in excess of the applicable expenditure limit described in section 6 of this 1994 Act.

(2) The secretary shall prescribe forms for the filing of the information required by this section. The forms shall also include:

(a) The name of the candidate by which the candidate is commonly known and by which the candidate transacts important private or official business.

(b) The mailing address of the residence of the candidate.

(c) The signature of the candidate.

(3) The declaration shall be filed with the secretary:

(a) For the primary election, not later than the date the candidate files a declaration of candidacy or a nominating petition; and

(b) For the general election:

(A) In the case of a candidate nominated by a major political party at the primary election, not later than 40 days after

the primary election; or

(B) In the case of a candidate not nominated at the primary election, at the same time that a certificate of nomination is filed.

SECTION 8. (1) An expenditure not qualifying as an independent expenditure shall be considered an in-kind contribution to the candidate or the principal campaign committee of the candidate and an expenditure by the candidate or the principal campaign committee of the candidate.

(2) For purposes of section 6 of this 1994 Act, the amount of an expenditure not qualifying as an independent expenditure shall count against the expenditure limits of the candidate for whose benefit the expenditure was made.

(3) For purposes of the contribution limitations established by section 3 of this 1994 Act, the amount of an expenditure not qualifying as an independent expenditure shall count against the contribution limits of the person or political committee making the expenditure.

(4) No person, including a candidate or political committee, shall report an expenditure as an independent expenditure if the expenditure does not qualify as an independent expenditure under ORS 260.005.

SECTION 9. (1) With respect to the primary and general elections, the secretary shall examine each contribution and expenditure statement of each candidate who filed a declaration of limitation on expenditures under section 6 of this 1994 Act to determine whether any candidate exceeded the applicable expenditure limit. If the secretary determines after any filing that a candidate has exceeded the applicable expenditure limit, the secretary shall send a notice of the secretary's determination to the candidate. If the secretary determines that the secretary or any candidate for nomination or election to an office for which the secretary is also a candidate for nomination or election has exceeded the applicable expenditure limit, the information shall be sent to the Attorney General, who shall be substituted for the secretary in any enforcement proceeding under this section and section 10 of this 1994 Act. The notice also shall state that the candidate may appeal the secretary's or the Attorney General's determination as provided in this section.

(2) A hearing to contest the determination that a candidate has violated the declaration of limitation on expenditures as described in subsection (1) of this section and to consider circumstances in mitigation shall be held by the secretary or the Attorney General:

(a) Upon request of the candidate, if the request is made not later than the seventh day after the candidate received the notice sent under subsection (1) of this section; or

(b) Upon the secretary's or the Attorney General's own motion.

(3) A hearing under subsection (2) of this section shall be conducted, and the secretary's or the Attorney General's order may be appealed, in the manner provided for a contested case under ORS 183.310 to 183.550.

(4) The candidate 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 for entry in the hearing record. Such documents must be received by the secretary not later than five business days before the day of the hearing.

SECTION 10. (1) If the secretary or the Attorney General finds under section 9 of this 1994 Act that a candidate filing a declaration of limitation on expenditures under section 6 of this 1994 Act has exceeded the applicable expenditure limit, the secretary or the Attorney General may impose a civil penalty in the manner provided in ORS 260.995 in an amount no greater than twice the amount of the expenditures that exceeds the applicable expenditure limit.

Measure No. 9

(2) The secretary or the Attorney General may impose a civil penalty not to exceed \$10,000 for any violation of section 8 (4) of this 1994 Act. The civil penalty shall be imposed in the manner provided in ORS 260.995.

(3) The secretary or the Attorney General shall exempt any candidate from the imposition of civil penalties under subsections (1) and (2) of this section if the secretary or the Attorney General finds the candidate has exceeded the applicable expenditure limit by a minimal amount. The secretary shall adopt by rule standards and procedures for exempting any candidate from the imposition of civil penalties under subsections (1) and (2) of this section. The rule shall apply in the same fashion to all candidates for the same nomination or office.

SECTION 11. (1) Except as provided in subsection (2) of this section, the Secretary of State or the Attorney General shall impose a civil penalty in the manner provided in ORS 260.995 for each violation of any provision of section 3, 4 or 16 of this 1994 Act.

(2) Notwithstanding ORS 260.995, the Secretary of State or Attorney General shall impose a civil penalty not to exceed the greater of \$1,000 or three times the amount of any:

(a) Contribution made or received in violation of section 4 or 16 of this 1994 Act; or

(b) Contribution that exceeds the limit specified in section 3 of this 1994 Act.

(3) If a candidate or the principal campaign committee of a candidate violates any provision of section 3, 4 or 16 of this 1994 Act, the candidate shall be personally liable for the amount to be paid under this section. If a political committee, other than a principal campaign committee, violates any provision of section 3, 4 or 16 of this 1994 Act, the directors of the political committee shall be jointly and severally liable for any amount to be paid under this section.

SECTION 12. The Secretary of State shall:

(1) Adopt rules as necessary to carry out the provisions of sections 5 to 10 of this 1994 Act.

(2) Prescribe forms for declarations required by section 6 of this 1994 Act, and furnish the forms to persons required to file.

(3) Investigate when appropriate under the provisions of sections 5 to 10 of this 1994 Act.

SECTION 13. (1) The Secretary of State shall include with the voters' pamphlet statement of each candidate described in section 6 of this 1994 Act for the primary and general elections a statement indicating whether or not the candidate has agreed to limit expenditures under section 6 of this 1994 Act.

(2) If a candidate described in section 6 of this 1994 Act has agreed to limit expenditures, but is not bound by the agreement because an opponent of the candidate for the same nomination or office at the same election has not agreed to limit expenditures or has exceeded the applicable expenditure limit, the statement shall indicate that the candidate has agreed to limit expenditures and that the candidate is not bound by the agreement because an opponent of the candidate for the same nomination or office at the same election has not agreed to limit expenditures or has exceeded the applicable spending limit.

(3) If the Secretary of State or the Attorney General finds under section 9 of this 1994 Act that a candidate described in section 6 of this 1994 Act filing a declaration of limitation on expenditures under section 6 of this 1994 Act has exceeded the applicable expenditure limit, at the next primary and general elections at which the candidate is a candidate for nomination or election to an office for which a portrait or statement is included in the voters' pamphlet, the Secretary of State shall include with the portrait and infor-

Measure No. 9

mation required under ORS 251.075 and 251.085 a statement in boldfaced type indicating that the candidate violated a previous declaration of limitation on expenditures under section 6 of this 1994 Act. The statement required by this subsection shall identify the date of the election at which the candidate exceeded the applicable expenditure limit.

SECTION 14. For purposes of the contribution limitations established by section 3 of this 1994 Act:

(1) Contributions shall be considered to be made by a single political committee if made by more than one political committee established, financed, maintained or controlled by the same person or persons, including any parent, subsidiary, branch, division, department or local unit of the person or by a group of those persons.

(2) Under subsection (1) of this section:

(a) All political committees established by a single corporation or its subsidiaries are treated as a single political committee;

(b) All political committees established by a labor organization are treated as a single political committee unless the political committee is established by a local unit of a labor organization that has the authority to indorse candidates subject to section 3 of this 1994 Act independently of the labor organization's state or national organization and if the local unit contributes only funds raised from its own members;

(c) All political committees established by the same political party are treated as a single political committee; and

(d) All political committees established by substantially the same group of persons are treated as a single political committee.

(3) Contributions shall be considered to be made by a single person if made by any parent, subsidiary, branch, division, department or local unit of the same person.

(4) The Secretary of State shall investigate any alleged violation of this section only upon receiving a complaint filed under ORS 260.345.

SECTION 15. (1) With respect to a single election at which a candidate subject to section 3 of this 1994 Act seeks nomination or election, if a candidate contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding the amount specified in subsection (3) of this section, any other candidate for the same nomination or office and any contributions to that other candidate shall, pursuant to subsection (4) of this section, be exempt from any contribution limits applicable under section 3 of this 1994 Act.

(2) Any person or political committee making an independent expenditure in excess of an amount specified in subsection (3) of this section on behalf of or in opposition to a candidate subject to section 3 of this 1994 Act shall deliver notice as provided in subsection (4) of this section.

(3) This section applies if:

(a) A candidate for nomination or election to an office specified in section 3 (1)(a) of this 1994 Act contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding \$25,000;

(b) A person or political committee makes an independent expenditure on behalf of or in opposition to a candidate specified in section 3 (1)(a) of this 1994 Act in an amount exceeding \$25,000;

(c) A candidate for nomination or election to an office

Measure No. 9

specified in section 3 (1)(b) of this 1994 Act contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding \$10,000; or

(d) A person or political committee makes an independent expenditure on behalf of or in opposition to a candidate specified in section 3 (1)(b) of this 1994 Act in an amount exceeding \$10,000.

(4) Within 24 hours after the contribution or loan is made, any candidate who contributes or loans personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding the applicable amount specified in subsection (3) of this section shall give written notice of the fact to the filing officer and to all other candidates for the same office at the same election for whom a nominating petition, a declaration of candidacy or a certificate of nomination has been filed. The candidate shall also supply written proof to the filing officer that all other candidates for the same office were given notice. The notice shall be given by registered or certified mail or by some other method that provides written proof that the notice was given. From the time notice is received under this subsection, any other candidate for the same office at the same election, and any contributions to that candidate, are not subject to any contribution limits otherwise applicable under section 3 of this 1994 Act until such time as the candidate contributes to the candidate's own campaign an amount exceeding the applicable amount specified in subsection (3) of this section.

(5) Within 24 hours after funds for an independent expenditure are obligated, any person or political committee making an independent expenditure in an aggregate amount exceeding the applicable amount specified in subsection (3) of this section shall give written notice of the fact to the filing officer and to all other candidates for the same office at the same election for whom a nominating petition, a declaration of candidacy or a certificate of nomination has been filed. The person or political committee shall also supply written proof to the filing officer that all other candidates for the same office were given notice. The notice shall be given by registered or certified mail or by some other method that provides written proof that the notice was given. The notice shall describe the amount and use of the expenditure. An expenditure is obligated when an expenditure is made or an agreement to make an expenditure is made. The notice shall specifically state the name of the candidate the independent expenditure is intended to support or oppose. Each new expenditure shall require the delivery of an additional new notice.

(6) As used in this section, the "candidate's immediate family" means a candidate's spouse and any child, parent, grandparent, brother, half-brother, sister or half-sister of the candidate and the spouses of such persons.

(7) This section does not apply to candidates for national or political party office.

SECTION 16. (1) A corporation, professional corporation, nonprofit corporation or labor organization shall not make a contribution directly or indirectly from treasury funds to any candidate or political committee.

(2) Subsection (1) of this section does not apply to:

(a) Contributions from a corporation, professional corporation, nonprofit corporation or labor organization to a political committee organized exclusively to support or oppose a measure;

(b) Communications by a corporation, professional corporation or nonprofit corporation to its shareholders and executive or administrative personnel and their families or by a labor organization to its members and their families on

Measure No. 9

any subject; and

(c) Nonpartisan registration and get-out-the-vote campaigns by:

(A) A corporation, professional corporation or nonprofit corporation aimed at its shareholders and executive or administrative personnel and their families; or

(B) A labor organization aimed at its members and their families.

(3) A candidate or the principal campaign committee of a candidate shall not accept a contribution prohibited by this section.

SECTION 17. For purposes of the expenditure limitations contained in section 6 of this 1994 Act and the contribution limitations contained in section 3 of this 1994 Act:

(1) Contributions made by a person or political committee, either directly or indirectly, to or on behalf of a particular candidate or principal campaign committee of a candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate or the principal campaign committee of a candidate, shall be treated as contributions from the person or political committee to the candidate.

(2) Contributions made by a person or political committee, either directly or indirectly, to or on behalf of a particular candidate or principal campaign committee of a candidate, through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to a candidate or principal campaign committee of a candidate if:

(a) The contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than to the intended recipient; or

(b) The intermediary or conduit is:

(A) A political committee other than a principal campaign committee;

(B) An officer, employee or agent of a political committee other than a principal campaign committee;

(C) A person required to register as a lobbyist under ORS 171.740; or

(D) A labor organization or corporation prohibited from making contributions under section 16 of this 1994 Act, or an officer, employee or agent of a labor organization or corporation acting on behalf of the organization or corporation.

(3) When a contribution is made to a candidate or the principal campaign committee of a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the intended recipient and to the filing officer in statements filed under ORS 260.058 to 260.073.

(4) Nothing in this section is intended to affect contributions prohibited under ORS 260.402.

SECTION 18. (1) Except as provided in subsection (2) of this section, amounts received as contributions by a candidate or the principal campaign committee of a candidate for public office that are in excess of any amount necessary to defray campaign expenditures and any other funds donated to a holder of public office may be:

(a) Used to defray any ordinary and necessary expenses incurred in connection with the recipient's duties as a holder of public office;

(b) Transferred to any national, state or local political committee of any political party;

(c) Contributed to any organization described in section 170(c) of Title 26 of the United States Code or to any charitable corporation defined in ORS 128.620; or

Measure No. 9

Measure No. 9

(d) Used for any other lawful purpose.

(2) Notwithstanding subsection (1) of this section, amounts received as contributions by a candidate for public office that are in excess of any amount necessary to defray campaign expenditures and other funds donated to a holder of public office shall not be converted by any person to any personal use other than to defray any ordinary and necessary expenses incurred in connection with the person's duties as a holder of public office or to repay to a candidate any loan the proceeds of which were used in connection with the candidate's campaign.

(3) As used in this section:

(a) "Funds donated" means all funds, including but not limited to gifts, loans, advances, credits or deposits of money that are donated for the purpose of supporting the activities of a holder of public office. "Funds donated" does not mean funds appropriated by the Legislative Assembly or another similar public appropriating body or personal funds of the office holder donated to an account containing only those personal funds.

(b) "Public office" does not include national or political party office.

SECTION 19. ORS 316.102 is amended to read:

316.102. (1) A credit against taxes shall be allowed for voluntary contributions in money made in the taxable year:

(a) To a ~~[national political party]~~ major political party as defined in ORS 248.006 or to a committee thereof or to a minor political party as defined in ORS 248.008 or to a committee thereof.

(b) Except as provided in subsection (4) of this section, to or for the use of a person who must be a candidate for nomination or election to a federal, state or local elective office in any primary, general or special election in this state. The person must, in the calendar year in which the contribution is made, either be listed on a primary, general or special election ballot in this state or have filed in this state one of the following:

- (A) A prospective petition;
- (B) A declaration of candidacy;
- (C) A certificate of nomination; or
- (D) A designation of a principal campaign committee.

~~[(c) To any trust, committee, association or organization (whether or not incorporated) organized and operated exclusively for any part or all of the following purposes:]~~

~~[(A) Influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any federal, state or local elective public office to be voted upon within this state if used by the trust, committee, association or organization to further the candidacy of an individual or individuals for nomination or election to such office; or]~~

~~[(B) Supporting or opposing ballot measures or questions to be voted upon within this state if the trust, committee, association or organization has certified the name of its political treasurer or to the filing officer in the manner provided by law.]~~

(c) To a political committee, as defined in ORS 260.005, organized and operated exclusively to support or oppose ballot measures or questions to be voted upon within this state if the political committee has certified the name of its treasurer to the filing officer, as defined in ORS 260.005, in the manner provided in ORS chapter 260.

(2) The credit allowed by subsection (1) of this section shall be the lesser of:

- (a) The total contribution, not to exceed \$50 on a separate return; the total contribution, not to exceed \$100 on a joint return; or
- (b) The tax liability of the taxpayer.
- (3) The claim for tax credit shall be substantiated by submis-

sion, with the tax return, of official receipts of the candidate, agent, ~~[trust,]~~ political party or committee thereof or political committee, ~~association or organization]~~ to whom contribution was made.

~~[(4) A credit against taxes for a contribution to a national political party or to a committee thereof shall be allowed under this section only if the state central committee of the national political party, that is also a major political party under ORS 248.006, is organized in compliance with ORS 248.075. The Department of Revenue shall allow no credit against taxes for contributions to a national political party or to a committee thereof if the department receives notice from the Secretary of State under ORS 248.096.]~~

(4) A credit against taxes shall not be allowed under this section for voluntary contributions of money made in the taxable year to a candidate for statewide office or the office of state Senator or state Representative if the candidate has not filed a declaration of limitation on expenditures under section 6 of this 1994 Act for each election at which the candidate is a candidate for nomination or election indicating that the candidate will not make attributable expenditures in excess of the applicable limitations described in section 6 of this 1994 Act.

(5) As used in this section, ~~["national political party" means]~~ "statewide office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Superintendent of Public Instruction and Commissioner of the Bureau of Labor and Industries.

~~[(c) In the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of 10 or more states; or]~~

~~[(b) In the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in paragraph (a) of this subsection in the last preceding election of a President and Vice President.]~~

SECTION 20. ORS 260.083 is amended to read:

260.083. (1) A statement filed under ORS 260.058, 260.063, 260.068 or 260.073 shall list:

(a) Under contributions, all contributions received. Except as provided in ORS 260.085 and subject to the prohibitions of section 4 of this 1994 Act, the statement shall list the name, occupation and address of each person, and the name, address, identification number assigned under ORS 260.052 and primary nature of each political committee, that contributed an aggregate amount of[i]

~~[(A)]~~ more than ~~[\$100]~~ \$50 on behalf of a candidate ~~[for statewide office, regarding a statewide measure]~~ or to a political committee ~~[supporting or opposing only such a candidate or measure,]~~ and the total amount contributed by that person or political committee.

~~[(B) More than \$50 on behalf of a candidate for other than statewide office, regarding a measure other than a statewide measure or to a political committee supporting or opposing such a candidate or measure, and the total amount contributed by that person or political committee.]~~

~~[(C) More than \$50 to a political committee supporting or opposing both a candidate for statewide office or a statewide measure and a candidate for other than statewide office or a measure other than a statewide measure, and the total amount contributed by that person or political committee.]~~ The statement may list as a single item the total amount of other contributions, but shall specify how those contributions were obtained.

(b) Under expenditures, all expenditures made, showing the amount and purpose of each. Each expenditure in an amount of more than \$50 shall be vouched for by an invoice, receipt or canceled check or an accurate copy of the invoice, receipt or check.

Measure No. 9

Measure No. 9

(c) Separately, and subject to the prohibitions of section 4 of this 1994 Act, all contributions made by the candidate or political committee ~~(to any other candidate or political committee).~~

(d) All loans, whether repaid or not, made to the candidate or political committee. The statement shall list 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. The statement also shall list the name of the lender holding the loan.

(2) If an expenditure in an amount exceeding \$50 is a prepayment or a deposit made in consideration for any services, supplies, equipment or other thing of value to be performed or furnished at a future date, that portion of the deposit that has been expended during the reporting period shall be listed as an expenditure and the unexpended portion of the deposit shall be listed as an account receivable.

(3) Anything of value paid for or contributed by any person shall be listed as both ~~[a] 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 or political committee 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 or political committee making the original expenditure shall, in any statement filed under ORS 260.058, 260.063, 260.068 or 260.073, identify the expenditure as an in-kind contribution and identify the candidate or political committee for whose benefit the expenditure was made.

~~[(4)]~~ (5) Expenditures made by an agent of a political committee on behalf of the committee shall be reported in the same manner as if the expenditures had been made by the committee itself.

~~[(5)]~~ (6) As used in this section "address" includes street number and name, rural route number or post-office box, and city and state.

SECTION 21. ORS 260.165 is amended to read:

260.165. (1)(a) Not less than once each year ending June 30, moneys designated for a major or minor political party by individual taxpayers under ORS 316.487, less the amount appropriated for administrative costs as provided in paragraph (b) of this subsection, shall be paid to the treasurer of the political party by the Department of Revenue. The Department of Revenue shall determine the procedure for payment by administrative rule.

(b) Of the moneys designated for a major or minor political party under ORS 316.487, not more than three percent per fiscal year ending June 30 are continuously appropriated for use in reimbursing the General Fund for costs of administering the checkoff program established under ORS 316.487.

(2) Of the moneys paid to the treasurer of a major political party under subsection (1) of this section:

(a) The treasurer shall distribute not less than 50 percent of the moneys to the treasurers of the county central committees of the party; and

(b) Not less than 50 percent of the moneys remaining after the distribution to the county central committees under this subsection shall be paid to candidates of the major political party.

(3) Not less than 50 percent of the moneys paid to the treasurer of a minor political party under subsection (1) of this section shall be distributed to candidates of the minor political party.

(4) Of the moneys distributed to the county central committees of a major political party under subsection (2) of this section, not less than 50 percent of the moneys received by each county central committee shall be distributed to candidates of the major political party.

(5) The state central committee of a major political party shall adopt bylaws establishing a formula for the distribution of moneys to the treasurers of the county central committees under

subsection (2) of this section.

~~[(6)] A major political party, as defined in ORS 248.006, shall be eligible to receive moneys under this section only if the state central committee of the major political party is organized in compliance with ORS 248.076. The Department of Revenue shall not distribute moneys under this section to a major political party if the department receives notice from the Secretary of State under ORS 248.006.]~~

SECTION 22. Nothing in this Act is intended to limit contributions or expenditures received or made prior to the effective date of this Act. Contributions and expenditures may be made in accordance with the provisions of this Act after the effective date of this Act from funds raised prior to the effective date of this Act.

SECTION 23. (1) Upon petition of any person, original jurisdiction is vested in the Supreme Court of this state to review and determine the constitutionality of this Act. The Supreme Court shall have sole and exclusive jurisdiction of proceedings initiated under this section.

(2) If any part of this Act is held unconstitutional, the remaining parts shall remain in force unless the court specifically finds that the remaining parts, standing alone, are incomplete and incapable of being executed.

SECTION 24. The amendments to ORS 316.102 by section 19 of this Act first become operative January 1, 1995, and apply to tax years beginning on or after January 1, 1995.

SECTION 25. Sections 2 to 18 of this Act are added to and made a part of ORS chapter 260.

SECTION 26. ORS 248.095 and sections 25, 60 and 61, chapter 267, Oregon Laws 1987, are repealed.

NOTE: Boldfaced type indicates new language; [brackets and overstriking] indicate deletions or comments.

EXPLANATORY STATEMENT

Measure 9 revises laws relating to the financing of election campaigns. Major provisions of the measure include limits on amounts that could be contributed to certain candidates, optional limits on the amount those candidates could spend at the primary and general elections and a ban on certain political contributions. The measure would not apply to federal and ballot measure elections.

Contribution Limits

At each election, a person or political action committee (PAC) could contribute no more than \$500 to a candidate for statewide office and no more than \$100 to a candidate for the legislature. An individual could contribute no more than \$100 to a PAC each year.

At each election, political parties could contribute no more than \$25,000 to a candidate for Governor, \$10,000 to a candidate for certain other statewide offices and \$5,000 to a candidate for the legislature. An individual could contribute no more than \$1,000 each year to a political committee organized by a political party.

Contribution limits would be waived if an opponent spends personal funds in excess of \$25,000 for a statewide office or \$10,000 for a legislative office. Any violation of the contribution limits could be penalized by fines up to \$1,000 or three times the amount of the excess contribution.

Measure No. 9

Measure No. 9

Expenditure Limits

The measure sets optional expenditure limits for candidates for statewide office and legislative office as follows:

Position	Primary Election:	General Election:
Governor	\$500,000	\$1,000,000
Other Statewide	\$200,000	\$400,000
State Senate	\$30,000	\$60,000
State House	\$20,000	\$40,000

The Voters' Pamphlet would indicate whether each candidate has chosen to limit expenditures. The limits would be waived if any opposing candidate did not agree to limit expenditures or exceeded the expenditure limit. A candidate who agreed to limit expenditures and exceeded the limit could be fined up to twice the amount of the excess expenditure and be subject to other penalties.

Other Provisions

Most "pass-through" contributions between candidates, between candidates and PACs and between PACs would be prohibited.

Corporations and labor organizations would be prohibited from making direct contributions to candidates.

The measure defines terms such as "contribution" and "expenditure." The measure sets rules for determining when expenditures are independent of a candidate and when they are made in cooperation with a candidate. If expenditures are not independent, they would count as contributions to the candidate and expenditures by the candidate. Independent expenditures in excess of \$25,000 for statewide office or \$10,000 for legislative office would have to be reported to the Secretary of State and the candidates.

Candidates could not use campaign funds for personal purposes.

Tax credits would be eliminated for contributions to candidates who choose not to comply with the expenditure limits. Tax credits would be eliminated for contributions to certain PACs.

Committee Members:

Joel Ario
Harry Lonsdale
Steve Lanning
Dave Moss*
Annette Talbott

Appointed by:

Chief Petitioners
Chief Petitioners
Secretary of State
Secretary of State
Members of the Committee

* Member dissents (does not concur with explanatory statement)

(This impartial explanation was prepared by a committee pursuant to ORS 251.225 and certified by the Supreme Court of the State of Oregon pursuant to ORS 251.235.)

ARGUMENT IN FAVOR

RECLAIM STATE GOVERNMENT FOR AVERAGE CITIZENS VOTE YES ON MEASURE 9

Once upon a time, political campaigns in Oregon were financed by small contributions from individual citizens. Just 20 years ago, average candidates for the Oregon House raised almost two-thirds of their contributions from individuals, and only 22% from political action committees (PACs). By 1992 the individual share had shrunk to 13%, and the PAC share had mushroomed to 69%.

PAC contributions are meant to buy influence and win votes in the legislature. PAC contributions overwhelmingly favor incumbent legislators. Challengers get only 16 cents of every PAC dollar. Strong potential challengers shy away from taking on entrenched incumbents because challengers cannot compete with big money from special interests. Incumbents had a 90% reelection rate in 1992.

Another result of the PAC/incumbent alliance is that, once elected, our representatives are beholden to big campaign contributors. The special influence dominance of the legislative process results in gridlock on the issues that matter to Oregonians, and it fuels voter cynicism about state government.

AARP believes it is time for a change.

Measure 9 will stop the special interest dominance of the legislature. A \$100 contribution limit will put average Oregonians on an equal footing with PACs and other well-financed interests.

Measure 9 will give challengers a fighting chance and voters real choices in electing representatives. A \$100 contribution limit will make all candidates more reliant on smaller contributions from individuals.

Measure 9 will slow runaway campaign spending. By limiting big money in Oregon politics, Measure 9 will encourage political campaigns that focus on ideas instead of 20-second TV sound bites.

AARP urges you to vote YES on Measure 9

(This information furnished by Ralph O. Lidman, Chairman, Oregon State Legislative Committee, American Association of Retired Persons.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

Measure No. 9

Measure No. 9

ARGUMENT IN FAVOR

One of the most important things we can do to regain control of our government is to reform the method we use to finance our elections. We try to elect outstanding citizens to serve us in our government, but our present election financing method is flawed, in that it is subject to abuses by special interests which tends to thwart the will of the people. **WE MUST REFORM THE SYSTEM.**

Twenty years ago it cost \$3000 to run for the Oregon Legislature and most campaign contributions came from individual Oregonians. Today it costs \$38,000 and two-thirds of the money comes from special interest PACs.

OREGON IS CURRENTLY ONE OF SEVEN STATES WITH NO LIMIT ON CAMPAIGN CONTRIBUTIONS.

THE PURPOSES OF THIS INITIATIVE ARE:

- To prohibit the personal use of campaign funds.
- To create spending caps for legislative and statewide races.
- To reduce the influence of PACS and other interest groups.
- To expand access to elections for less well financed candidates.
- To promote small individual contributions as the foundation of a healthy campaign finance system.

OTHER PROVISIONS OF THE INITIATIVE WOULD:

- Require individual disclosure for contributions of \$50 or more.
- Ban pass throughs and limit bundling of contributions.
- Close various loopholes, and impose tough penalties.
- Place \$100 limits on individual and PAC contributions to legislative candidates.
- Eliminate tax benefits for candidates who exceed spending caps.
- Ban corporate and labor union contributions.

UNITED WE STAND AMERICA-Oregon does not believe this to be a perfect initiative, but we feel this is the strongest initiative that can be offered without amending the Oregon constitution; and therefore urge voters to support it.

UNITED WE STAND AMERICA-OREGON
3896-22 Beverly NE
Salem, OR 97305

(This information furnished by Micki Summerhays, State Chair, Jane Montgomery, State Vice Chair/Secretary, United We Stand America-Oregon.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

ARGUMENT IN FAVOR

NORMA PAULUS URGES OREGONIANS TO VOTE YES ON MEASURE 9

Our political process is on the verge of being bought and sold. Special interests have an undue influence on legislative affairs because of unbridled campaign spending.

Campaign spending in Oregon legislative races has increased 10-fold in the last two decades. The average candidate for the Oregon House spent about \$3,000 to get elected in 1972 and \$38,000 in 1992. Spending on races for the Senate and statewide offices has increased at the same rate.

Oregon is one of only seven states that has no limits on campaign contributions. The legislature has repeatedly failed to enact any campaign finance reform in the past 20 years. As a result, Oregon political campaigns have become extended fundraising events. We can do much better.

By voting YES on Measure 9, you can help put an end to skyrocketing campaign spending. Measure 9 sets contribution and spending limits for legislative and statewide campaigns.

Help us reduce campaign spending. Please vote YES on Measure 9.

Norma Paulus

(This information furnished by Norma Paulus.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

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Measure No. 9

Measure No. 9

ARGUMENT IN FAVOR

OREGONIANS! TAKE BACK THE SYSTEM

The League of Women Voters of Oregon challenges Oregonians to join the campaign to re-establish the individual's influence over their elected official.

Who has the control now? Special interest groups, such as political action committees - PACs, who donate large sums of money to finance political campaigns.

LET US LOOK AT THE FIGURES:

1972	1992
49 PACS	339 PACS
\$400,000 spent/elections	\$10 million spent/elections

In 1972, an average Oregon Representative raised 61% of her contributions from individuals, 22% from PACS.

In 1992, the breakdown is 13% from the individual, 69% from PACS.
(Figures from *PACs Over People*, OSPIRG May 1994)

Are citizens apathetic, angry, disillusioned and frustrated as they watch their influence decrease? The League believes Yes. A national League opinion poll, *ACTION OR APATHY* 1993, showed that the public's cynicism about government is deeply entrenched and that a large majority of Americans believe that they have very little influence over government.

The League of Women Voters is dedicated to empowering citizens. We believe that Ballot Measure #9, will help to combat corruption and undue influence in Oregon politics by enabling candidates to compete more equitably for public office.

Voter revolution is critical to regain citizen control of the Oregon political process. The individual citizen should be heard; and this should not depend on whether or not the voter has donated to a particular campaign nor on how much money has been contributed.

THE GOVERNMENT BELONGS TO ALL OF US. OREGON CITIZENS SHOULD HAVE THE POWER

VOTE YES ON BALLOT MEASURE #9

(This information furnished by Cheri Unger, President, League of Women Voters - Oregon.)

(This space purchased with a petition containing the signatures of 2,500 voters eligible to vote on the measure in accordance with 1993 Or. Laws 811 §11.)

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ARGUMENT IN FAVOR

There is way too much money in Oregon elections. Oregon Common Cause urges you to:

VOTE YES ON #9 LIMIT ELECTION MONEY SAVE TAX DOLLARS

In 1908 contributions to Oregon elections were limited to \$100 by the "Corrupt Practices Act Governing Elections" in an initiative petition that passed 54,042 YES to 31,301 NO. One of the arguments in favor of this initiative said that the right to spend large sums of money in elections tends to the choice of none but rich men, or tools of wealthy corporations!

Over the years that limit was increased twice, until in 1973 it was repealed. But a broader more complex limitation on campaign spending was enacted. This limitation was in effect through the 1974 election. In 1975 the Oregon Supreme Court ruled that spending limitation unconstitutional, and the legislature repealed the law.

But the legislature failed to restore the law that had been in effect from 1908 to 1973.

BALLOT MEASURE #9 does what the legislature has failed to do for 20 years.

BALLOT MEASURE #9 restores contribution limits that were in Oregon's election law from 1908 to 1973.

BALLOT MEASURE #9 enacts constitutional voluntary spending limits.

BALLOT MEASURE #9 eliminates tax credits to PACs and big spending candidates.

BALLOT MEASURE #9 bans personal use of campaign funds.

BALLOT MEASURE #9 bans corporate contribution. Corporate contributions to House candidates went from \$57,799 in 1982 to \$531,386 in 1992, a 919% increase in 10 years!

BALLOT MEASURE #9 saves taxpayer dollars. The state financial impact statement estimates a savings of two million dollars per year.

It's time to reclaim our government by restoring an election system in which small contributions by individual Oregonians are once again the primary source of campaign funding.

IMPROVE OREGON ELECTIONS SAVE TAX DOLLARS VOTE YES ON BALLOT MEASURE #9

OREGON COMMON CAUSE

(This information furnished by David Buchanan, Executive Director, Oregon Common Cause.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

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<h1>Measure No. 9</h1>	<h1>Measure No. 9</h1>
<h2>ARGUMENT IN FAVOR</h2>	<h2>ARGUMENT IN FAVOR</h2>
<p>GET BIG MONEY OUT OF OREGON POLITICS VOTE YES ON MEASURE 9</p>	<p>I strongly support this initiative because I've seen, firsthand, the impact of special-interest money on elections.</p>
<p>We are losing control of our state government. The problem is big money. Oregon politicians are spending more of it and getting more of it from special interests than ever before. As PACs, corporations and lobbyists pour more and more money into campaigns, our votes count for less and less.</p>	<p>In 1990, I ran for the U.S. Senate from Oregon. In the final few weeks of that campaign, as the polls showed the race quite close, my opponent raised almost a million dollars from special-interest PACs. He used that money to run negative TV ads against me all across the state. And he won. What political debts did he incur in taking that money? What has it cost us Oregon taxpayers?</p>
<p>We must act now to clean up government. The survival of our democratic system depends on it, as does the credibility of our legislators in representing the public interest on issues ranging from the environment to health care to education.</p>	<p>We've simply got to get the special-interest money out of our elections. Whatever your issue -- whether it's preserving our ancient forests, maintaining our land-use laws, or progressive taxation -- there are powerful, wealthy folks on the other side who can "outvote" you with their wallet.</p>
<p>Our democracy in Oregon is suffering from the <u>pervasive and corrupting influence of special interest money</u>--PACs, well-heeled lobbyists, the big campaign contributions, the multi-million dollar corporate ad campaigns to influence policy. Until we put an end to the domination of elections by big money, we will see little progress on the issues that matter to you and I as average Oregon citizens.</p>	<p>This initiative will end that kind of abuse on the state level and give the power back to the people.</p> <p>There will be opponents of this initiative. Most of them are those who are already on the "inside". They use their money to buy influence with the legislature and with the Governor.</p>
<p>The Oregon legislature has talked around this problem for the past two decades and done nothing to reform itself. The result is gridlock, with legislators unwilling to offend big campaign donors by standing up for the public good. <u>Real reform won't come from Salem, it must come from the voters.</u></p>	<p>Don't let them win again. Study this measure, and cast your vote for it. It will change Oregon politics forever.</p>
<p>Measure 9 will help us reclaim our government by restoring an election system in which politicians are accountable to Oregon voters, not the special interests. It's simple and effective reform.</p>	<p>Harry Lonsdale</p>
<p>Measure 9 will establish a strict \$100 limit on contributions to legislative candidates to reduce the influence of well-financed special interests.</p>	<p><i>(This information furnished by Harry Lonsdale.)</i></p>
<p>Measure 9 will establish spending caps for Oregon races to freeze spending at current levels.</p>	
<p>Measure 9 will also ban the personal use of campaign funds, close loopholes, and impose tough penalties for violations.</p>	
<p>Measure 9 will <u>get big money out of Oregon politics</u>. Vote yes to clean up our government. Vote YES on Measure 9.</p>	
<p><i>(This information furnished by Maureen Kirk, Executive Director, Oregon State Public Interest Research Group (OSPIRG).)</i></p>	
<p><i>(This space purchased with a petition containing the signatures of 2,500 voters eligible to vote on the measure in accordance with 1993 Or. Laws 811 §11.)</i></p> <p>The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.</p>	<p><i>(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)</i></p> <p>The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.</p>

Measure No. 9

Measure No. 9

ARGUMENT IN FAVOR

ARGUMENT IN FAVOR

YES ON 9

\$100 LIMITS WILL PUT CITIZENS BACK IN CONTROL OF STATE GOVERNMENT -- VOTE YES ON MEASURE 9

We encourage Oregonians to support ballot measure 9 to limit the influence of special interest money on campaigns. Too much money in Oregon politics has distorted the political process -- special interests have undue influence, and qualified challengers are inhibited from running for office. Oregonians now feel excluded from their own democratic institutions, and see the legislature as being unresponsive to their concerns.

Have you ever contributed \$30,000 to a political campaign? How about \$20,000 or \$10,000? No? The special interests make campaign contributions like these to our state legislators every election cycle. Special interest PACs make huge campaign contributions to Oregon politicians to buy influence with our representatives. The special interests win. The public interest loses.

The sponsoring organizations of this measure faithfully worked within the legislative process in the past to assist in the passing of campaign finance reform laws. Political gamesmanship and special interests have proved more powerful than grassroots citizen involvement, and the Oregon legislature has failed to pass campaign finance reform. After 20 years of waiting for the legislature to reform some of the weakest campaign finance laws in the nation, the sponsors felt compelled to put this issue before the voters.

It is time to level the playing field.

Measure 9 will reduce the influence of special interest PACs and make politicians accountable to average voters. Measure 9 sets strict \$100 limits on campaign contributions from PACs and individuals.

The objectives of measure 9 are straight forward. One is to return the funding of campaigns to individuals instead of special interest groups. Twenty years ago individuals provided nearly 60% of campaign contributions in Oregon now it is less than 20% with special interests providing most of the rest. A legislature elected with the help of individuals will be less influenced by special interest groups and more responsive to Oregonians. The second goal is to increase competition in campaigns by placing spending limits on candidates. This should make races more fair and encourage challengers to run against incumbents.

- \$100 limits equalize the ability of people to influence elections through the power of money. Under the limits, an average voter can more easily afford to give the same amount a corporate executive can give. The lower limits give many more people equal political clout.

- \$100 limits make political campaigns more citizen oriented. Politicians will have to reach out directly to more people, hoping their message results in more--but smaller--contributions.

Please **Vote Yes On 9** to help rejuvenate Oregon democracy by making individual contributions and candidate spending limits the foundation of campaign funding.

- \$100 limits reward organization over wealth. Those who have mass constituencies and the ability to organize citizens, will have an advantage over interests who have historically relied only on the power of their checkbook.

- \$100 limits stop the escalation in campaign spending. The limits, in themselves, will squeeze money out of the system and reverse campaign spending trends.

(This information furnished by Knute Buehler, American Party of Oregon.)

- \$100 limits reduce the legislative clout of well-heeled corporate interests. Corporate PACs and wealthy executives who have grown to dominate campaign funding will lose their ability to dominate the legislature as candidates become less dependent on them for campaign funds. Ideas will be more important at election time, and democracy will be advanced.

Vote **YES** on Measure 9.

(This information furnished by Tim Raphael, Campaign Director, Coalition For Campaign Finance Reform.)

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Measure No. 9

Measure No. 9

ARGUMENT IN FAVOR

**BAN THE PERSONAL USE OF CAMPAIGN FUNDS.
VOTE YES ON MEASURE 9**

What if Oregon politicians could collect campaign contributions from you, build a political war chest, decide not to run for office, and write a check to themselves from their campaign.

Guess what? They can...and they do. There is no law barring the personal use of campaign contributions. Measure 9 will change all that.

Some Oregon politicians just don't get it. Asked what he would do with thousands of dollars in leftover campaign contributions, retiring House Speaker Larry Campbell told the *Oregonian* on September 4, 1993, "I can do any damn thing I want with it."

Not if we pass Measure 9. Ban the personal use of campaign funds.

Vote **YES** on Measure 9.

(This information furnished by Shaun H. Sleren.)

(This space purchased with a petition containing the signatures of 2,500 voters eligible to vote on the measure in accordance with 1993 Or. Laws 811 §11.)

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ARGUMENT IN OPPOSITION

Do you want informed, reasonable choices when you vote? If so, vote no on Measure 9.

VOTE NO IF YOU WANT CANDIDATES WHO CAN TELL YOU WHY THEY ARE RUNNING.

- Political campaigns cost money. Communication—printing, postage and advertising—costs money. Oregon's Lottery Commission spent \$7 million promoting gambling last year. Measure 9 limits for a candidate for governor in the general election are one-seventh of that.
- The state budget this biennium is over \$20 BILLION. How much is too much to invest deciding who spends that?
- Candidates could not raise enough money to communicate with voters under these contribution limits. Do we need a \$100 contribution limit? Would any candidate be bribed by a \$101 contribution?
- The spending limits will make it impossible to run effective informative campaigns.

VOTE NO IF YOU WANT RESPONSIBLE CANDIDATES TO RUN FOR OFFICE.

- Candidates already must sacrifice their privacy and much more. This poorly-written measure will expose them to huge fines for campaign activities by others beyond their control. After over 20 years of practicing election law and writing legislation, I find key provisions of this measure unintelligible. Read it. Try to understand section 8, using the definitions in section 1.
- Would you run for office if you could be fined thousands of dollars under a law you can't understand for activities you cannot control?

Only 5% of all Oregon taxpayers care enough to contribute to political campaigns. That 5% is not the problem. The problem is the 95%. Democracy has a price. Campaign limits will not cure voter apathy.

We have had contribution limits on federal candidates for 20 years. Have they made Congress better?

This measure turns control of our political system over to the media, well-known incumbents, unemployed candidates with nothing better to do than knock on doors, and wealthy candidates who can spend unlimited amounts of their own money under the measure.

(This information furnished by Warren Deras.)

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Contribution Limits re: Legislators

Alaska	\$ 500	Many states have limit of \$1,000: Florida Idaho Kentucky Massachusetts Michigan Minnesota New Hampshire Rhode Island South Carolina South Dakota Vermont Washington West Virginia
Colorado	\$ 200	
Connecticut	\$ 250	
Delaware	\$ 600	
Kansas	\$ 500	
Maine	\$ 375	
Montana	\$ 170	
Wisconsin	\$ 500	

Appendix A. Cities with City Council Individual Contribution Limits

City	Population	Contribution Limit
Agoura Hills	20,767	\$250
Anaheim	351,433	\$1,900
Arcata	17,898	\$190
Bell Gardens	42,875	\$250
Belmont	26,748	\$500
Berkeley	118,780	\$250
Beverly Hills	34,833	\$450
Burbank	106,084	\$400
Burlingame	29,890	\$500
Capitola	10,052	\$200
Chico	89,634	\$500
Chula Vista	257,989	\$320
Claremont	36,282	\$250
Commerce	13,060	\$1,000
Concord	126,069	\$1,000
Coronado	23,497	\$200
Cotati	7,346	\$350
Cudahy	24,270	\$1,000
Culver City	39,773	\$500
Dana Point	34,208	\$670
Davis	66,757	\$100
Del Mar	4,238	\$100
Downey	113,900	\$1,500
Dublin	55,844	\$500
El Segundo	17,000	\$750
Encinitas	61,518	\$250
Escondido	147,294	\$4,100
Eureka	26,946	\$500
Fillmore	15,441	\$250
Folsom	74,909	\$150
Fountain Valley	57,021	\$500
Fremont	226,551	\$600
Fresno	520,159	\$4,200
Galt	24,607	\$100
Gardena	60,414	\$500
Gilroy	53,000	\$250
Glendale	199,182	\$1,000
Grand Terrace	12,352	\$250
Half Moon Bay	12,051	\$1,000
Hayward	152,889	\$1,295
Healdsburg	11,687	\$500

City	Population	Contribution Limit
Hermosa Beach	19,772	\$250
Huntington Beach	198,389	\$540
Irvine	250,384	\$470
Laguna Beach	23,355	\$360
Laguna Niguel	64,836	\$1,000
Laguna Woods	16,652	\$250
Lemon Grove	26,199	\$1,050
Livermore	85,990	\$250
Long Beach	472,779	\$400
Los Angeles City	3,957,022	\$700
Malibu	12,935	\$250
Manhattan Beach	35,763	\$250
Merced	81,722	\$598
Milpitas	72,606	\$250
Murrieta	107,279	\$1,090
Newark	44,204	\$500
Newport Beach	87,249	\$1,100
Novato	53,575	\$400
Oakland	410,603	\$700
Orange	140,094	\$1,000
Pacific Grove	15,388	\$600
Petaluma	59,540	\$200
Pinole	18,946	\$500
Pleasant Hill	34,162	\$500
Pomona	152,419	\$500
Poway	49,041	\$100
Richmond	107,346	\$2,500
Rohnert Park	41,077	\$500
Rolling Hills Estates	8,223	\$250
Roseville	128,382	\$500
Sacramento	480,105	\$1,650
San Buenaventura	109,338	\$300
San Diego	1,368,061	\$550
San Fernando	24,558	\$500
San Francisco	845,602	\$500
San Jose	1,016,479	\$600
San Juan Capistrano	36,223	\$500
San Luis Obispo	45,802	\$300
San Marcos	90,827	\$250
San Mateo	101,429	\$250
Santa Ana	335,264	\$1,000

Nicolas Heidorn



Appendix A. Cities with City Council Individual Contribution Limits (continued)

City	Population	Contribution Limit	City	Population	Contribution Limit
Santa Clara	120,973	\$520	Thousand Oaks	129,349	\$510
Santa Clarita	213,231	\$1,000	Torrance	148,427	\$1,000
Santa Cruz	63,789	\$350	Ukiah	16,073	\$500
Santa Monica	93,283	\$325	Union City	72,744	\$720
Santa Rosa	173,071	\$500	Upland	75,787	\$1,000
Santee	55,805	\$700	Vernon	123	\$100
Sausalito	7,300	\$250	Vista	96,413	\$440
Scotts Valley	11,928	\$100	Walnut	30,257	\$1,000
Seal Beach	24,684	\$500	Walnut Creek	66,868	\$165
Signal Hill	11,585	\$550	Watsonville	52,087	\$400
Simi Valley	126,483	\$1,000	West Covina	108,401	\$500
Solana Beach	13,104	\$160	West Hollywood	35,825	\$500
Sonoma	10,933	\$200	West Sacramento	51,272	\$250
South Gate	96,547	\$1,000			

Appendix B. Counties with Board of Supervisors Contribution Limits

County	Population	Contribution Limit
Alameda	1,594,569	\$20,000
Contra Costa	1,102,871	\$1,675
Humboldt	134,398	\$1,500
Kern	874,264	\$1,000
Los Angeles	10,136,559	\$1,500
Orange	3,147,655	\$1,900
Sacramento	1,470,912	\$500
San Bernardino	2,104,291	\$4,200
San Diego	3,227,496	\$750
San Francisco	845,602	\$500
San Mateo	753,123	\$1,000
Santa Clara	1,889,638	\$1,000
Santa Cruz	271,646	\$400
Sonoma	496,253	\$2,894
Ventura	848,073	\$750





2016-17 CONTRIBUTION LIMITS
 effective February 29, 2016

CONTRIBUTORS

RECIPIENTS

	State Party	County and LD Party Committees (Jointly)	Caucus Political Committee	Candidate Committees	Pacs, Unions, Corps and other entities		Individuals
State Party	Not Applicable	No Limit	No Limit	Only from Surplus Funds No Limit	\$5,500 per calendar year (non-exempt)	No Limit (exempt)	No Limit
County or LD Party Committee	No Limit	No Limit	No Limit	Only from Surplus Funds No Limit	\$5,500 per calendar year (non-exempt)	No Limit (exempt)	No Limit
Caucus Political Committee	No Limit	No Limit	No Limit	Only from Surplus Funds No Limit	\$1,000 per calendar year		No Limit
State Executive Candidate	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$2,000 per election		\$2,000 per election
Legislative Candidate	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
Judicial Candidate	\$2,000 per election	\$2,000 per election	\$2,000 per election	Prohibited	\$2,000 per election		\$2,000 per election
LOCAL OFFICES: <ul style="list-style-type: none"> • County Office • Mayor • City Council • School Board 	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
King Co Hospital Dists 1 & 2 and Snohomish Co Hosp Dist 2	\$0.95 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
Port of Seattle and Port of Tacoma Commissioner Candidates	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$2,000 per election		\$2,000 per election
PACS	No Limit	No Limit	No Limit	Prohibited	No Limit		No Limit

- **Per cycle** means aggregate during the period from January 1 after the date of the previous general election for the office through December 31 after the upcoming general election for the office.
- **Per election** means per each primary, general, or special election for that office.
- **Per calendar year** means aggregate during the period from January 1 through December 31 each year.
- Contributions designated for the exempt account of a bona fide political party are NOT subject to limit, except **during the 21 days before the general election** when the \$5,000 maximum applies. See next column.
- **During the 21 days before the general election**, no contributor may donate over \$50,000 in the aggregate to a candidate for statewide office, or over \$5,000 in the aggregate to a candidate for any other office or to a political committee. This

includes contributions to a party committee, as well as a candidate's personal contributions to his/her own campaign. It does not apply to contributions from the state committee of the WA State Democratic, Republican or Libertarian Party or from a minor party.

The state law prohibiting campaigns from receiving contributions of more than \$5,000 within 21 days of a general election no longer applies to ballot measure committees, pursuant to the federal court ruling in *Family PAC v. McKenna et al.*, 9th Circuit Court of Appeals No. 10-35832 (Dec. 29, 2011). The statute is RCW 42.17A.420 (former RCW 42.17.105(8)).

Contribution Limits to Candidates Subject to Limits

A candidate subject to limits is prohibited from accepting aggregate contributions exceeding the following amounts:

Source of Contribution	to State Executive and select Port Comm'r* candidates	to Legislative, County Office, Mayor, City Council, or School Director candidates and select Hospital Comm'r candidates**
Individual	\$2,000 ¹	\$1,000 ¹
Union or Business	\$2,000 ¹	\$1,000 ¹
Political Action Committee	\$2,000 ¹	\$1,000 ¹
State Party Central Committee	\$1 per voter ^{2,5}	\$1 per voter ^{2,5}
Legislative District Comm	50¢ per voter ^{3,4,5}	50¢ per voter ^{3,4,5}
County Party Central Comm	50¢ per voter ^{3,4,5}	50¢ per voter ^{3,4,5}
Legislative Caucus Comm	\$1 per voter ^{2,5}	\$1 per voter ^{2,5}
*only in port districts with more than 200,000 registered voters as of the last General Election		
**only in hospital districts with populations greater than 150,000		

1 This is a per election limit; each primary, general and special election is considered a separate election. This limit does not apply to the candidate using personal funds to give to his or her own campaign. The limit does apply to the candidate's spouse.

To be eligible to receive primary election contributions, a candidate's name must be on the ballot or the candidate has to have filed a write-in declaration for the primary election. A candidate who will **not have a primary election** must refund any contributions received in excess of the general election limit. Refunds must be made within 2 weeks of the election administrator's determination that there will be no primary.

Primary election contributions must be made on or before the date of the primary unless a candidate lost the primary and has debt to retire. Contributors may continue to make contributions to a candidate who loses the primary election and has insufficient funds to pay debts outstanding until the debt is retired or 30 days after the primary, whichever comes first.

General election contributions must be made no later than December 31 of the election year.

During the 21 days before the general election, no candidate for legislative office or local office may contribute to his or her own campaign more than \$5,000 in the aggregate, and no candidate for state executive office or Supreme Court justice may contribute to his or her own campaign more than \$50,000 in the aggregate.

2 The limit amount of \$1 times the number of registered voters in the jurisdiction (as of the last general election) is for the entire election cycle. The election cycle is from January 1 after the last election for the office or the start of the candidate's campaign -- whichever is later -- through December 31 of the election year in which election is sought. Contributions must be made no later than December 31 of the election year.

3 During the election cycle (defined in #2 above), all county central committees and legislative district committees in the state share a combined limit to each candidate of \$.50 times the number of registered voters statewide as of the last general election. (However, during the 21 days before the general election, neither a county central committee nor a legislative district committee may give a state executive office candidate more than \$50,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

4 A county central and legislative district committee may only contribute to a candidate if voters residing in the city, county or legislative district are entitled to elect the candidate to the office sought. During the election cycle (defined in #2 above), a legislative district committee, in conjunction with all county central committees in that district, share a combined per candidate limit of \$.50 times the number of registered voters in the legislative district as of the last general election. (However, during the 21 days before the general, neither a county central committee nor a legislative district committee may give a city, county or legislative candidate more than \$5,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

5 The limit amount is for the entire election cycle. The election cycle is from January 1 after the last election for the office or the start of the candidate's campaign -- whichever is later -- through December 31 of the year in which election is sought. (However, during the 21 days before the general, a caucus political committee may not give a state executive candidate more than \$50,000 in the aggregate or a city, county or legislative candidate more than \$5,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

Contribution Limits re: Legislators

Alaska	\$ 500	Many states have limit of \$1,000: Florida Idaho Kentucky Massachusetts Michigan Minnesota New Hampshire Rhode Island South Carolina South Dakota Vermont Washington West Virginia
Colorado	\$ 200	
Connecticut	\$ 250	
Delaware	\$ 600	
Kansas	\$ 500	
Maine	\$ 375	
Montana	\$ 170	
Wisconsin	\$ 500	

Appendix A. Cities with City Council Individual Contribution Limits

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Berkeley	118,780	\$250
Beverly Hills	34,833	\$450
Burbank	106,084	\$400
Burlingame	29,890	\$500
Capitola	10,052	\$200
Chico	89,634	\$500
Chula Vista	257,989	\$320
Claremont	36,282	\$250
Commerce	13,060	\$1,000
Concord	126,069	\$1,000
Coronado	23,497	\$200
Cotati	7,346	\$350
Cudahy	24,270	\$1,000
Culver City	39,773	\$500
Dana Point	34,208	\$670
Davis	66,757	\$100
Del Mar	4,238	\$100
Downey	113,900	\$1,500
Dublin	55,844	\$500
El Segundo	17,000	\$750
Encinitas	61,518	\$250
Escondido	147,294	\$4,100
Eureka	26,946	\$500
Fillmore	15,441	\$250
Folsom	74,909	\$150
Fountain Valley	57,021	\$500
Fremont	226,551	\$600
Fresno	520,159	\$4,200
Galt	24,607	\$100
Gardena	60,414	\$500
Gilroy	53,000	\$250
Glendale	199,182	\$1,000
Grand Terrace	12,352	\$250
Half Moon Bay	12,051	\$1,000
Hayward	152,889	\$1,295
Healdsburg	11,687	\$500

City	Population	Contribution Limit
Hermosa Beach	19,772	\$250
Huntington Beach	198,389	\$540
Irvine	250,384	\$470
Laguna Beach	23,355	\$360
Laguna Niguel	64,836	\$1,000
Laguna Woods	16,652	\$250
Lemon Grove	26,199	\$1,050
Livermore	85,990	\$250
Long Beach	472,779	\$400
Los Angeles City	3,957,022	\$700
Malibu	12,935	\$250
Manhattan Beach	35,763	\$250
Merced	81,722	\$598
Milpitas	72,606	\$250
Murrieta	107,279	\$1,090
Newark	44,204	\$500
Newport Beach	87,249	\$1,100
Novato	53,575	\$400
Oakland	410,603	\$700
Orange	140,094	\$1,000
Pacific Grove	15,388	\$600
Petaluma	59,540	\$200
Pinole	18,946	\$500
Pleasant Hill	34,162	\$500
Pomona	152,419	\$500
Poway	49,041	\$100
Richmond	107,346	\$2,500
Rohnert Park	41,077	\$500
Rolling Hills Estates	8,223	\$250
Roseville	128,382	\$500
Sacramento	480,105	\$1,650
San Buenaventura	109,338	\$300
San Diego	1,368,061	\$550
San Fernando	24,558	\$500
San Francisco	845,602	\$500
San Jose	1,016,479	\$600
San Juan Capistrano	36,223	\$500
San Luis Obispo	45,802	\$300
San Marcos	90,827	\$250
San Mateo	101,429	\$250
Santa Ana	335,264	\$1,000

Nicolas Heidorn



Appendix A. Cities with City Council Individual Contribution Limits (continued)

City	Population	Contribution Limit	City	Population	Contribution Limit
Santa Clara	120,973	\$520	Thousand Oaks	129,349	\$510
Santa Clarita	213,231	\$1,000	Torrance	148,427	\$1,000
Santa Cruz	63,789	\$350	Ukiah	16,073	\$500
Santa Monica	93,283	\$325	Union City	72,744	\$720
Santa Rosa	173,071	\$500	Upland	75,787	\$1,000
Santee	55,805	\$700	Vernon	123	\$100
Sausalito	7,300	\$250	Vista	96,413	\$440
Scotts Valley	11,928	\$100	Walnut	30,257	\$1,000
Seal Beach	24,684	\$500	Walnut Creek	66,868	\$165
Signal Hill	11,585	\$550	Watsonville	52,087	\$400
Simi Valley	126,483	\$1,000	West Covina	108,401	\$500
Solana Beach	13,104	\$160	West Hollywood	35,825	\$500
Sonoma	10,933	\$200	West Sacramento	51,272	\$250
South Gate	96,547	\$1,000			

Appendix B. Counties with Board of Supervisors Contribution Limits

County	Population	Contribution Limit
Alameda	1,594,569	\$20,000
Contra Costa	1,102,871	\$1,675
Humboldt	134,398	\$1,500
Kern	874,264	\$1,000
Los Angeles	10,136,559	\$1,500
Orange	3,147,655	\$1,900
Sacramento	1,470,912	\$500
San Bernardino	2,104,291	\$4,200
San Diego	3,227,496	\$750
San Francisco	845,602	\$500
San Mateo	753,123	\$1,000
Santa Clara	1,889,638	\$1,000
Santa Cruz	271,646	\$400
Sonoma	496,253	\$2,894
Ventura	848,073	\$750





2016-17 CONTRIBUTION LIMITS
 effective February 29, 2016

CONTRIBUTORS

RECIPIENTS

	State Party	County and LD Party Committees (Jointly)	Caucus Political Committee	Candidate Committees	Pacs, Unions, Corps and other entities		Individuals
State Party	Not Applicable	No Limit	No Limit	Only from Surplus Funds No Limit	\$5,500 per calendar year (non-exempt)	No Limit (exempt)	No Limit
County or LD Party Committee	No Limit	No Limit	No Limit	Only from Surplus Funds No Limit	\$5,500 per calendar year (non-exempt)	No Limit (exempt)	No Limit
Caucus Political Committee	No Limit	No Limit	No Limit	Only from Surplus Funds No Limit	\$1,000 per calendar year		No Limit
State Executive Candidate	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$2,000 per election		\$2,000 per election
Legislative Candidate	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
Judicial Candidate	\$2,000 per election	\$2,000 per election	\$2,000 per election	Prohibited	\$2,000 per election		\$2,000 per election
LOCAL OFFICES: <ul style="list-style-type: none"> • County Office • Mayor • City Council • School Board 	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
King Co Hospital Dists 1 & 2 and Snohomish Co Hosp Dist 2	\$0.95 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$1,000 per election		\$1,000 per election
Port of Seattle and Port of Tacoma Commissioner Candidates	\$1.00 per Reg. Voter per cycle	\$0.50 per Reg. Voter per cycle	\$1.00 per Reg. Voter per cycle	Prohibited	\$2,000 per election		\$2,000 per election
PACS	No Limit	No Limit	No Limit	Prohibited	No Limit		No Limit

- **Per cycle** means aggregate during the period from January 1 after the date of the previous general election for the office through December 31 after the upcoming general election for the office.
- **Per election** means per each primary, general, or special election for that office.
- **Per calendar year** means aggregate during the period from January 1 through December 31 each year.
- Contributions designated for the exempt account of a bona fide political party are NOT subject to limit, except **during the 21 days before the general election** when the \$5,000 maximum applies. See next column.
- **During the 21 days before the general election**, no contributor may donate over \$50,000 in the aggregate to a candidate for statewide office, or over \$5,000 in the aggregate to a candidate for any other office or to a political committee. This

includes contributions to a party committee, as well as a candidate's personal contributions to his/her own campaign. It does not apply to contributions from the state committee of the WA State Democratic, Republican or Libertarian Party or from a minor party.

The state law prohibiting campaigns from receiving contributions of more than \$5,000 within 21 days of a general election no longer applies to ballot measure committees, pursuant to the federal court ruling in *Family PAC v. McKenna et al.*, 9th Circuit Court of Appeals No. 10-35832 (Dec. 29, 2011). The statute is RCW 42.17A.420 (former RCW 42.17.105(8)).

Contribution Limits to Candidates Subject to Limits

A candidate subject to limits is prohibited from accepting aggregate contributions exceeding the following amounts:

Source of Contribution	to State Executive and select Port Comm'r* candidates	to Legislative, County Office, Mayor, City Council, or School Director candidates and select Hospital Comm'r candidates**
Individual	\$2,000 ¹	\$1,000 ¹
Union or Business	\$2,000 ¹	\$1,000 ¹
Political Action Committee	\$2,000 ¹	\$1,000 ¹
State Party Central Committee	\$1 per voter ^{2,5}	\$1 per voter ^{2,5}
Legislative District Comm	50¢ per voter ^{3,4,5}	50¢ per voter ^{3,4,5}
County Party Central Comm	50¢ per voter ^{3,4,5}	50¢ per voter ^{3,4,5}
Legislative Caucus Comm	\$1 per voter ^{2,5}	\$1 per voter ^{2,5}
*only in port districts with more than 200,000 registered voters as of the last General Election		
**only in hospital districts with populations greater than 150,000		

1 This is a per election limit; each primary, general and special election is considered a separate election. This limit does not apply to the candidate using personal funds to give to his or her own campaign. The limit does apply to the candidate's spouse.

To be eligible to receive primary election contributions, a candidate's name must be on the ballot or the candidate has to have filed a write-in declaration for the primary election. A candidate who will **not have a primary election** must refund any contributions received in excess of the general election limit. Refunds must be made within 2 weeks of the election administrator's determination that there will be no primary.

Primary election contributions must be made on or before the date of the primary unless a candidate lost the primary and has debt to retire. Contributors may continue to make contributions to a candidate who loses the primary election and has insufficient funds to pay debts outstanding until the debt is retired or 30 days after the primary, whichever comes first.

General election contributions must be made no later than December 31 of the election year.

During the 21 days before the general election, no candidate for legislative office or local office may contribute to his or her own campaign more than \$5,000 in the aggregate, and no candidate for state executive office or Supreme Court justice may contribute to his or her own campaign more than \$50,000 in the aggregate.

2 The limit amount of \$1 times the number of registered voters in the jurisdiction (as of the last general election) is for the entire election cycle. The election cycle is from January 1 after the last election for the office or the start of the candidate's campaign -- whichever is later -- through December 31 of the election year in which election is sought. Contributions must be made no later than December 31 of the election year.

3 During the election cycle (defined in #2 above), all county central committees and legislative district committees in the state share a combined limit to each candidate of \$.50 times the number of registered voters statewide as of the last general election. (However, during the 21 days before the general election, neither a county central committee nor a legislative district committee may give a state executive office candidate more than \$50,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

4 A county central and legislative district committee may only contribute to a candidate if voters residing in the city, county or legislative district are entitled to elect the candidate to the office sought. During the election cycle (defined in #2 above), a legislative district committee, in conjunction with all county central committees in that district, share a combined per candidate limit of \$.50 times the number of registered voters in the legislative district as of the last general election. (However, during the 21 days before the general, neither a county central committee nor a legislative district committee may give a city, county or legislative candidate more than \$5,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

5 The limit amount is for the entire election cycle. The election cycle is from January 1 after the last election for the office or the start of the candidate's campaign -- whichever is later -- through December 31 of the year in which election is sought. (However, during the 21 days before the general, a caucus political committee may not give a state executive candidate more than \$50,000 in the aggregate or a city, county or legislative candidate more than \$5,000 in the aggregate.) Contributions must be made on or before December 31 of the election year.

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CERTIFICATE OF SERVICE

I hereby certify that I served the foregoing DECLARATION OF COUNSEL DANIEL MEEK IDENTIFYING EXHIBITS IN SUPPORT OF MOTION FOR MOTION FOR SUMMARY JUDGMENT BY THE CITIZEN PARTIES by the following methods:

- Electronic service - UTCR 21.100(1)(a)
- hand delivery
- facsimile transmission
- overnight delivery
- USPS first class mail
- courtesy email

Naomi Sheffield
Deputy City Attorney
City of Portland
1221 SW 4th Avenue, Room 430
Portland, OR 97204

Dated: April 22, 2019

/s/ Daniel W. Meek

Daniel W. Meek