To: House Rules Committee

From: William Vollmer, Act for Democracy and Consolidated Oregon Indivisible Network (COIN)

Re: HB2680, Contribution Limits

Date: May 13, 2021

The Consolidated Oregon Indivisible Network (COIN) is an affiliation of grassroots organizations throughout the state that promote progressive causes and legislation. I have been heading up a COIN team that is tracking campaign finance reform legislation in the 2021 session.

The COIN coalition supports meaningful campaign finance reform and has previously **endorsed both HB3343**, dealing with contribution limits, **and the Small Donor Bill, HB2921**. In particular, we favored the lower limits and simpler implementation structure of HB3343 as compared to HB2680. We were also troubled by numerous potential loopholes in HB2680 and its earlier amendments that could be used to circumvent the contribution limits. Those loopholes were described in testimony during the March 30 public hearing, and it appears that many of these same concerns remain in the current iterations of this bill (see May 13 testimony from Honest Elections Oregon, League of Women Voter of Oregon, OSPIRG, Common Cause, Pacific Green Party, Our Revolution, and Portland Forward, all of which urge support instead for HB3343).

Oregon politics is dominated by Big Money interests. In its 2019 series on this issue, <u>PollutedByMoney</u>, the Oregonian noted that Oregon ranks #1 in per capita corporate giving and 6th in total corporate money given to the avg lawmaker despite being the country's 27th largest state.

The Secretary of State and the Attorney General have refused to enforce the voter approved contribution limits in 2006's Oregon Ballot Measure 47 out of concerns that it violates free speech provisions of the Oregon Constitution, even though no court has ever found this ballot measure to be unconstitutional. In response, last year Oregon voters overwhelmingly supported, by a 78-22 percent margin, Oregon Ballot Measure 107, which amended our State Constitution authorizing the state legislature and local governments, as well as the people via the initiative process, to (1) enact laws or ordinances limiting campaign contributions and expenditures; (2) require disclosure of contributions and expenditures; and (3) require that political advertisements identify the people or entities that paid for them.

The voters have made their views clear. They want to reduce the influence of big money in Oregon politics in order to make our elected representatives more accountable to the needs of average Oregonians and to reduce the influence of deep pocketed special interests. Now is the time to enact real, meaningful reform.

It was therefore gratifying to see several bills addressing contribution limits and one addressing public financing be introduced in this session. However, in an article on April 29 the Oregonian reported that lawmakers are negotiating contribution limits to one of these bills, HB2680, much higher than those voters approved in 2006 and including provisions that "allow the broadest possible array of entities to continue pouring big money into state politics". This article further suggested that "lawmakers' interest in capping political money was never particularly high ... and appears to be withering". They even quote Sen Golden as saying "Those who've had input on the Rayfield bill (HB2680) are primarily campaign funders". Rep Rayfield vigorously disputes this claim and his office notes that the process has been "incredibly inclusive" (personal communication), an observation supported by several presenters at today's meeting.

We applaud Rep Rayfield's long advocacy for meaningful campaign finance reform, and clearly he has reached out to a broad coalition in crafting this bill and its amendments. Many worthwhile community organizations spoke out in favor of 2680-1 at today's hearing. Key factors in enlisting this support appear to be efforts to give a greater voice to various 501c4 organizations by allowing them to provide up to \$50,000 worth of in-kind support to individual candidate PACs, the creation of small donor PACs, and a public matching provision for small donor contributions. As PCUN noted in its testimony, "it's vital that we maintain our ability to in-kind support for candidates in Oregon. This has proved to be a great way to support BIPOC candidates, as well as candidates who do not have a plan to reach marginalized voters."

Despite the good intentions of some of the provisions of the bill, however, testimony by several other groups (cited above) noted serious deficiencies in these and other provisions of the bill that create major loopholes for large donors to exploit. In addition, the public funding provision that was borrowed from HB2921 dropped the requirement that candidates agree to forego large contributions. As Common Cause noted in its testimony, "In

exchange for public funds, candidates should be required to agree to stricter rules. As written, this bill flips that principle on its head, enabling candidates to have it both ways."

The bottom line is that we are unable to support HB2680-1 it in its present form. Further, it is unclear why 2680-2 was even introduced for this hearing; it was almost universally panned at the March 30 hearing, and the same was true this time. Instead we support HB3343, which has lower contribution limits and lacks the many problems that continue to afflict HB2680.

Indeed, in light of the positive reviews that HB3343 has had, we find it disappointing that today's session addressed only HB2680 rather than directly considering and comparing both HB2680 and HB3343. Testimony that addresses only the pros and cons of the various amendments to HB2680, without also taking into consideration the relative merits of HB3343, does not appear to serve the best interests of the voters. We suggest that Rep Rayfield consider working with Rep Salinas to potentially further improve HB3343, rather than continuing to work to fix the deficiencies in HB2680.

In summary, while we remain hopeful of meaningful campaign finance reform this session, the recent Oregonian article, coupled with the continuing problems with HB2680 and the lack of vigorous, public debate over the pros and cons of HB2680 and HB3343 are cause for concern. In conclusion, let me reiterate COIN's opposition to HB2680 (in all its versions) and our strong support for the contribution limits in HB3343 and for public financing for elections as embodied in HB2921.