

To: House Committee on Rules
From: Jeff Hammarlund
Subject: My opposition to the current drafts of HB 4024, Campaign Finance Reform
Date: March 3, 2024

Chair Fahey and the Other Members of the House Committee on Rules,

I am a retired member of the faculty at Portland State University's Mark Hatfield School of Government. Campaign finance reform has never been my primary area of interest, but it is a topic that I have followed for many years. I continue to believe that the excellent series published in *The Oregonian* in 2019 called [Polluted by Money](#) should be required reading for every Oregonian.

I watched a recording of the February 24 hearing of the HB 4024, campaign finance reform. And read most of the submitted written testimony. Frankly, I was shocked and alarmed by much of the misleading testimony provided some of the bill's supporters. Fortunately, I felt more reassured when Senator Golden calmly reminded us that we will not be able achieve our campaign finance reform objectives until the Citizens United decision is reversed. He correctly urged all parties - labor, business, good government groups, and others – to work together to achieve the most effective disclosure measures possible to address the extraordinary influence that dark money has in our state.

I concur with Senator Golden's observations about the diligence of the Honest Elections good government team. They have collaborated for years with the top non-partisan campaign finance reform experts in the country to craft a measure that does precisely what it says it will do, in a way that is most likely to survive court challenges. Initiative Petition (IP) 9 is the current gold standard that other states interested in meaningful campaign finance reform are considering for their elections.

Why have the state's major business, industry, and labor organizations decided to reject IP 9 and form a virtually unheard-of alliance to advocate for HB 4025, now with the -5 amendment, at the last minute and just weeks before the end of the session? The answer is painfully obvious – they like the status quo and hope to preserve as much of it as they can. They realize they must do something fast to try to stop the voters from adopting serious campaign finance reform. As OPB's Dirk VanderHart and other reporters have explained, the two sides of this alliance have been "thrust together" because of "strict finance limits put forward by good government groups that could go before voters in November." VanderHart reports that Preston Mann, political affairs director for Oregon Business & Industry, explains the situation this way: *We think the current system works fine. But we're responding to a reality where campaign finance reform is coming. The days of the current system are over.*

The members of this alliance understand that IP 9 would ensure that Oregonians would receive the benefits of a carefully crafted measure that delivers the significant campaign finance reform

that most Oregonians want. Oregon would no longer be just one of five states with no limits on campaign contributions. It appears that they have concluded that the only way they can stop this from happening is to refer a competing measure to the voters. Their text might look reasonable at first, but the drafts available so far contain much larger contribution limits and include major disclosure and disclaimer loopholes that will help the well-heeled entities that know how to “work the system” gain even more power and influence over the state’s public policy making process than they have now. Among other things, these loopholes would allow corporations, unions, and others to provide virtually unlimited funds for candidates and ballot measures without revealing their true sources.

While the representatives of this alliance have insisted that they have invited the good government groups to collaborate with them over a significant period, the hearing revealed that this was not true. In fact, I have heard from multiple parties from the various sides, occasionally on but primarily off the record, the following threat: if the good government groups don’t withdraw their support for their own IP 9 and agree to endorse HB 4025, the business-labor alliance will spend as much as \$50 million to defeat IP 9 and seek to pass the misleading and counterproductive measure referred to the voters by the state legislature instead. So much for the genuine collaboration Senator Golden called for.

No doubt, the business-labor alliance will have the resources to produce slick ads and impressive marketing campaigns. They may be able to mislead voters for a time. However, I predict that their effort will backfire when the truth comes out, and most voters, including those from traditionally marginalized communities, realize that they have been bamboozled.

I would not want to be a legislator who voted in favor of this legislative referral. The use of millions of dollars of dark money to fund such a misleading effort to thwart serious campaign finance reform will almost certainly become national news. It will seriously damage Oregon’s reputation at a time when it is already a bit tattered and when our state could benefit from some positive press.