



Oregon Secretary of State's Office

The Secretary of State's office believes that increased transparency and accountability benefit Oregon's campaign finance system. House Bill 2709 is intended to achieve these goals, and it could be a small improvement that could be slightly stronger with several minor changes.

Section 1 (page 3): No Position

The Secretary of State's office understands that the sponsor intends to amend out the phrase: "as encouraging some other kind of action," so we have not included our analysis of that section.

Section 1 (page 4): Support Closing Reporting Loopholes Identified in Bill and Below

House Bill 2709 expands the definition of coordination to prevent attempts to skirt the spirit of Oregon's reporting laws. It requires specified coordination activities to be reported as in-kind expenditures instead of independent expenditures. The Secretary of State's office supports these improvements and encourages the committee to also include similar behaviors that would otherwise remain as loopholes in the proposed language.

Current Language: "A candidate solicits moneys or appears at a fund-raiser for a group and the group then makes expenditures to benefit the candidate." (Page 4, lines 1-2)

This still allows an incumbent or potential candidate to solicit funds for a group before filing for office and then official become a candidate the next day.

Suggest adding: An incumbent office holder, or potential candidate who has not yet announced their candidacy, solicits moneys or appears at a fund-raiser for a group and the group then makes expenditures to benefit the candidate during the same electoral cycle. (NOTE: use definition of electoral cycle below)

Current Language: "A group led by a family member of the candidate or by an individual who was employed within the preceding 12 months as a staff member of the candidate makes expenditures that benefit the candidate's campaign." (Page 4, lines 3-5)

This still allows a group "led by" a figurehead who does nothing and the family member or former employee is employed/contracted to make expenditures for the candidate.

Suggest adding: A group that employees or contracts with a family member of the candidate or an individual who was employed within the preceding 12 months as a staff member of the candidate makes expenditures that benefit the candidate's campaign.

Current Language: “A candidate provides information to a group about the candidate’s campaign needs and the group makes expenditures accordingly.” (Page 4, lines 9-10)

This still allows an incumbent or potential candidate to provide information to a group the day before filing for office.

Suggest adding: An incumbent office holder or potential candidate who has not yet announced their candidacy provides information to a group about potential future campaign needs and the group makes expenditures accordingly.

Current Language: “A candidate and a group employ the same consultant to provide professional services relating to campaign or fund-raising strategy during the same electoral cycle and the group makes expenditures to benefit the candidate.” (Page 4, lines 11-13)

“Electoral cycle” is not defined. Also, for offices with a four-year term, it would make sense to include a longer period.

Suggest adding: “electoral cycle” for the purposes of this section means: the two-year period preceding the election in which the candidate is running for office if the office term is two years and the four-year period preceding the election in which a candidate is running for office if the office term is four years.

Section 2: Support

The Secretary of State’s office supports moving all campaign finance reporting to a seven-day timeline to increase transparency. This builds upon the work we did to increase reporting transparency last year. We note that this will create a fiscal impact for programing changes in ORESTAR.

Section 3: Not Analyzed

The Secretary of State’s office understands that the sponsor intends to amend out the penalty changes in Section 3, so we have not analyzed it or the associated fiscal impact for programing changes.

Section 4: Support

The Secretary of State’s office supports the requirement that independent expenditure campaigns maintain accounts. Please note that the Elections Division has only limited staff capacity for processing elections complaints. The Elections Division has had only one investigator position since the 2011 legislature cut two investigator positions from the budget.

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