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**IN THE CIRCUIT COURT OF THE STATE OF OREGON
FOR THE COUNTY OF MULTNOMAH**

In the Matter of: Validation
Proceeding to Determine the
Legality of City of Portland
Charter Chapter 3, Article 3 and
Portland City Code Chapter 2.10
Regulating Campaign Finance and
Disclosure.

Civil No. 19CV06544

**DECLARATION OF COUNSEL
DANIEL MEEK IDENTIFYING
EXHIBITS IN SUPPORT OF MOTION
FOR MOTION FOR SUMMARY
JUDGMENT BY THE CITIZEN
PARTIES:**

**Elizabeth Trojan, Juan Carlos Ordonez,
David Delk, Ron Buel, Moses Ross,
James Ofsink, Seth Alan Woolley.**

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I, Daniel W. Meek, declare:

1. I am an attorney in private practice and one of the attorneys who has represented Plaintiff in this cause since its initiation.
2. All of the exhibits which I now identify and attach hereto are true copies made from originals or duplicate originals from electronic files or copies retained after filing originals.
3. Exhibits 1-4 and 6-7 were distributed to the public in and around Portland during the campaign period for Measure 26-200.
4. Exhibit 8 was available to the public on various websites during the campaign period for Measure 26-200, including honest-elections.com and the Honest Elections facebook page.
5. Exhibit 9 is a 4-part series that appeared in THE OREGONIAN newspaper and on its website. Due to the size of its PDF file, it is filed separately from the other exhibits.

6. Exhibits 10-13 are additional articles and editorials that appeared in THE OREGONIAN newspaper and on its website.
7. Exhibit 14 appeared on the website of Oregon Public Broadcasting.
8. Exhibit R1 was distributed to the public in Oregon during the campaign period for statewide Measure 9 of 1994.
9. Exhibits R2-R4 are documents showing the campaign contribution limits in effect in other states and some localities.

Exhibit 1	Text of City of Portland Measure 26-200 (2018)
Exhibit 2	Multnomah County Voters' Pamphlet for 2018 General Election (portion regarding Measure 26-200)
Exhibit 3	Large Tabloid Brochure distributed to City of Portland voters for the 2018 General Election
Exhibit 4	National Conference of State Legislatures, State Limits on Contributions to Candidates 2017-2018 Election Cycle (2017) (table)
Exhibit 5	<i>Article about "political campaign", NEW YORK DAILY TIMES (June 25, 1982)</i>
Exhibit 6	<i>We Need Campaign Finance Reform in Oregon (1-Page Brochure distributed to City of Portland voters for the 2018 General Election)</i>
Exhibit 7	<i>Measure 26-200 (2018) Campaign Finance Reform for Portland (1-Page Brochure distributed to City of Portland voters for the 2018 General Election)</i>
Exhibit 8	Videos for Measure 26-200: https://www.honest-elections.com/videos.html
Exhibit 9	<i>Polluted by Money: How corporate cash corrupted one of the greenest states in America, OREGONIAN (February 22, 2019)</i>
	<i>Polluted by Money: Leaving a Stench, OREGONIAN (March 1, 2019)</i>
	<i>Polluted by Money: Weak Watchdog, OREGONIAN (March 8, 2019)</i>
	<i>Polluted by Money: Perfectly Legal, OREGONIAN (March 15, 2019)</i>

1	Exhibit 10	<i>Polluted by Money: How Oregon could control the influence of campaign cash</i> , OREGONIAN (March 22, 2019)
2	Exhibit 11	<i>"Polluted by Money" series underscores our commitment to journalism in the public interest</i> , OREGONIAN (March 23, 2019)
3	Exhibit 12	<i>Editorial: Legislators, serve the public, not your donors</i> , OREGONIAN (March 24, 2019)
4	Exhibit 13	<i>Polluted by Money: How lawmakers could flush corporate money out of Oregon politics</i> , OREGONIAN (April 18, 2019)
5	Exhibit 14	<i>Oregon Campaign Finance Reformers Focus on "Dark Money"</i> , OREGON PUBLIC BROADCASTING (March 28, 2019)
6	Exhibit R1	Oregon Voters' Pamphlet for 1994 General Election (portion regarding Measure 9) ddd need paginate the better copy
7	Exhibit R2	Contribution Limits in Other States re: Legislators (table)
8	Exhibit R3	Common Cause, Local Campaign Contribution Limits in California (2016) (tables)
9	Exhibit R4	Washington State Contribution Limits (table)

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12 **I hereby declare that the above statement is true to the best of my**
13 **knowledge and belief, and that I understand it is made for use as evidence in**
14 **court and subject to penalty for perjury.**

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16 Dated: April 22, 2019

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18 */s/ Daniel W. Meek*

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20 _____
21 Daniel W. Meek

22 Signed in Portland, Multnomah County, Oregon
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Honest Elections City of Portland Charter Amendment

Whereas, the people of City of Portland find that limiting large contributions and expenditures in political campaigns would avoid the reality and appearance of corruption, including *quid pro quo* corruption, a new Article 3 to Chapter 3 of the City of Portland Charter, shall read as follows:

Article 3 Campaign Finance in Candidate Elections

3-301. Contributions in City of Portland Candidate Elections.

- (a) An Individual or Entity may make Contributions only as specifically allowed to be received in this Article.
- (b) A Candidate or Candidate Committee may receive only the following Contributions during any Election Cycle:
 - (1) Not more than five hundred dollars (\$500) from an Individual or a Political Committee other than a Small Donor Committee;
 - (2) Any amount from a qualified Small Donor Committee;
 - (3) A loan balance of not more than five thousand dollars (\$5,000) from the candidate;
 - (4) No amount from any other Entity, except as provided in Section 3-304 below.
- (c) Individuals shall have the right to make Contributions by payroll deduction by any private or public employer upon the employer's agreement or if such deduction is available to the employees for any other purpose.

3-302. Expenditures in City of Portland Candidate Elections.

- (a) No Individual or Entity shall expend funds to support or oppose a Candidate, except those collected from the sources and under the Contribution limits set forth in this Article.
- (b) An Entity shall register as a Political Committee under Oregon law within three (3) business days of making aggregate Independent Expenditures exceeding \$750 in any Election Cycle to support or oppose one or more Candidates in any City of Portland Candidate Election.
- (c) Only the following Independent Expenditures are allowed per Election Cycle to support or oppose one or more Candidates in any particular City of Portland Candidate Election:

- (1) An Individual may make aggregate Independent Expenditures of not more than five thousand dollars (\$5,000).
- (2) A Small Donor Committee may make Independent Expenditures in any amounts from funds contributed in compliance with Section 3-301 above.
- (3) A Political Committee may make aggregate Independent Expenditures of not more than ten thousand dollars (\$10,000), provided that the Independent Expenditures are funded by means of Contributions to the Political Committee by Individuals in amounts not exceeding five hundred dollars (\$500) per Individual per year.

3-303. Timely Disclosure of Large Contributions and Expenditures.

- (a) Each Communication to voters related to a City of Portland Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication, including:
 - (1) The names of any Political Committees and other Entities that have paid to provide or present it; and
 - (2) For each of the five Dominant Contributors providing the largest amounts of funding to each such Political Committee or Entity in the current Election Cycle:
 - a) The name of the Individual or Entity providing the Contribution.
 - b) The types of businesses from which the maker of the Contribution has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the North American Industry Classification System (NAICS).
 - (3) For each of the largest five Dominant Independent Spenders paying to provide or present it:
 - a) The name of the Individual or Entity providing the Independent Expenditure.
 - b) The types of businesses from which the maker of the Independent Expenditure has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the North American Industry Classification System (NAICS).
- (b) If any of the five largest Dominant Contributors or Dominant Independent Spenders is a Political Committee (other than a Small Donor Committee)

or nonprofit organization, the prominent disclosure shall include its top three funders during the current Election Cycle.

- (c) The disclosure shall be current to within ten (10) days of the printing of printed material or within five (5) days of the transmitting of a video or audio communication.

3-304. Coordination with Public Funding of Campaigns.

A candidate participating in a government system of public funding of campaigns (including the Public Election Fund established under Portland City Code Chapter 2.16) may receive any amount that such system allows a participating candidate to receive.

3-305. Implementation and Enforcement.

- (a) The provisions of this Article shall be implemented by ordinance to be operative not later than September 1, 2019.
- (b) Each violation of any provision in this Article shall be punishable by imposition of a civil fine which is not less than two nor more than twenty times the amount of the unlawful Contribution or Expenditure or Independent Expenditure at issue.
- (c) Any person may file a written complaint of a violation of any of the Provisions with the City Auditor.
- (d) The City Auditor, otherwise having reason to believe that a violation of any provision has occurred, shall issue a complaint regarding such violation.
- (e) Upon receipt or issuance of a complaint, the City Auditor:
 - (1) Shall examine the complaint to determine whether a violation has occurred and shall make any investigation necessary.
 - (2) Within two business days of receiving or issuing a complaint, shall issue a notification, including a copy of the complaint, to every person who is the object of the complaint.
 - (3) Shall accept written materials supporting or opposing the complaint for a period of 10 business days following any such notification.
 - (4) Shall render a decision on the complaint within 10 business days of the close of the material submission period.
- (f) If the complaint is received or issued within 30 days of the date of the election involving the object of the complaint, then all time periods stated in subsections (e)(3) and (e)(4) above shall be reduced by one-half.

- (g) The City Auditor may issue subpoenas to compel the production of records, documents, books, papers, memoranda or other information necessary to determine compliance with the provisions of this Article.
- (h) Upon finding a violation of the requirement for timely disclosure set forth in Section 3-303 above, the City Auditor shall determine the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication at issue and shall immediately issue a statement to all interested parties and news organizations containing all of the information about the involved donor(s) required by Section 3-303 above.
- (i) The complainant or any person who is the object of the complaint may, within 30 days of the issuance of the decision, appeal that order to the appropriate Circuit Court as an agency order in other than a contested case.
- (j) The decision in the matter shall be deemed final, following completion of any judicial review. Such decision shall be enforced by the City of Portland. If the decision is not enforced within thirty (30) days of the decision becoming final, the complainant may bring a civil action in a representative capacity for the collection of the applicable civil penalty, payable to the City of Portland, and for any appropriate equitable relief.

3-306. Adjustments.

All dollar amounts shall be adjusted on January 1 of each odd-numbered year to reflect an appropriate measure of price inflation, rounded to the nearest dollar.

3-307. Severability.

For the purpose of determining constitutionality, every section, subsection, and subdivision thereof of this Section, at any level of subdivision, shall be evaluated separately. If any section, subsection or subdivision at any level is held invalid, the remaining sections, subsections and subdivisions shall not be affected and shall remain in full force and effect. The courts shall sever those sections, subsections, and subdivisions necessary to render this Section consistent with the United States Constitution and with the Oregon Constitution. Each section, subsection, and subdivision thereof, at any level of subdivision, shall be considered severable, individually or in any combination.

3-308. Definitions.

Unless otherwise indicated by the text or context of this Article, all terms shall have the definitions at Chapter 260 of Oregon Revised Statutes, as of January 1, 2018. Terms found therein or defined below are capitalized in this Article.

- (a) "Candidate" has the meaning set forth at ORS 260.005(1).

- (b) "Candidate Committee" has the meaning set forth at ORS 260.039 - 260.041, as of November 8, 2016, for the term "principal campaign committee."
- (c) "City of Portland Candidate Election" means an election, including a primary election, to select persons to serve (or cease serving) in public offices of City of Portland.
- (d) "Communication" means any written, printed, digital, electronic or broadcast communications but does not include communication by means of small items worn or carried by Individuals, bumper stickers, Small Signs, or a distribution of five hundred (500) or fewer substantially similar pieces of literature within any 10-day period.
- (e) "Contribution" has the meaning set forth at ORS 260.005(3) and 260.007, as of November 8, 2016, except it does not include (1) funds provided by government systems of public funding of campaigns or (2) providing rooms, phones, and internet access for use by a candidate committee free or at a reduced charge.
- (f) "Dominant Contributor" means any Individual or Entity which contributes more than one thousand dollars (\$1,000) during an Election Cycle to a Candidate Committee or Political Committee.
- (g) "Dominant Independent Spender" means any Individual or Entity which expends more than one thousand dollars (\$1,000) during an Election Cycle to support or oppose a particular Candidate.
- (h) "Election cycle" means:
 - (1) Generally, the period between an election at which a candidate is elected and the next election for that same office, disregarding any intervening primary or nominating election, any recall election, or any special election called to fill a vacancy.
 - (2) For any recall election: the period beginning the day that the recall election is called or declared and ending at midnight of the day of the recall election.
 - (3) For any special election called to fill a vacancy: the period beginning the day that the special election is called or declared and ending at midnight of the day of the election.
- (i) "Entity" means any corporation, partnership, limited liability company, proprietorship, Candidate Committee, Political Committee, or other form of organization which creates an entity which is legally separate from an Individual.
- (j) "Expenditure" has the meaning set forth at ORS 260.005(8) and ORS 260.007, as of January 1, 2018, except that:

- (1) It does not include a Communication to its members, and not to the public, by a Membership Organization not organized primarily for the purpose of influencing an election.
 - (2) The exception in ORS 260.007(7) does not apply.
- (k) "General Election Period" means the period beginning the day after the biennial primary election and ending the day of the biennial general election.
- (l) "Individual" means a citizen or resident alien of the United States entitled to vote in federal elections; however, when this Article expresses a limitation or prohibition, "Individual" means any human being.
- (m) "Membership Organization" means a nonprofit organization, not formed or operated for the purpose of conducting or promoting commercial enterprise, which has Individual members who have taken action to join the organization and have made a payment of money or volunteer time to maintain membership in the organization.
- (1) It cannot have commercial enterprises as members.
 - (2) It can transfer to one and only one small donor committee not more than forty percent (40%) of the amount paid to the organization by each Individual member, with a limit of one hundred dollars (\$100) transferred per Individual member per calendar year.
 - (3) It shall within thirty (30) days of any such transfer notify each paying member of the amount transferred, expressed in dollars or as a percentage of the member's amount paid to the organization. Such notice may be provided by regular mail or electronic mail to each affected member or by posting the information on the organization's main website. If the amount transferred is the same for each member or category of members (in dollars or in percentage of amount paid), the posting may state that amount or percentage without identifying Individual members.
- (n) "Primary Election Period" means the period beginning on the 21st day after the preceding biennial general election and ending the day of the biennial primary election.
- (o) "Prominently Disclose" means that the disclosure shall be readily comprehensible to a person with average reading, vision, and hearing faculties, with:
- (1) any printed disclosure appearing in a type of contrasting color and in the same or larger font size as used for the majority of text in the printed material;

- (2) any video disclosure remaining readable on the regular screen (not closed captioning) for a not less than 4 seconds;
 - (3) any auditory disclosure spoken at a maximum rate of five words per second;
 - (4) any website or email message in type of a contrasting color in the same or larger font size as used for the majority of text in the message;
 - (5) any billboard or sign other than a Small Sign: in type of a contrasting color and not smaller than 10 percent of the height of the billboard or sign.
- (p) "Small Donor Committee" means a Political Committee which has never accepted any Contributions except from Individuals in amounts limited to one hundred dollars (\$100) per Individual contributor per calendar year.
- (q) "Small Sign" means a sign smaller than six (6) square feet.

CITY OF PORTLAND

Measure 26-200

Proposed by Initiative Petition.

BALLOT TITLE

Amends Charter: Limits candidate contributions, expenditures; campaign communications identify funders.

Question: Should Portland Charter limit campaign contributions, expenditures for elected offices; require certain funding disclosures for campaign communications; allow payroll deductions?

Summary: Measure amends charter, to be implemented by ordinance effective by September 2019.

Limits contributions received by candidates, candidate committees in city elections per election cycle to:

- No more than \$500 from individual, political committee.
- No more than \$5,000 loan balance from candidate.
- Any amount from small donor committee (defined), which may accept contributions of \$100 or less per individual donor per year.

Allows candidates to receive any amount from government public campaign funding system. Limits independent expenditures to \$5,000 per individual, \$10,000 per political committee, per election cycle. Unlimited independent expenditures by small donor committees.

Each communication (defined) to voters relating to a city candidate election must prominently disclose (defined) information about source of contributions, expenditures for communication.

Allows individuals to make campaign contributions by payroll deduction if private or public employer agrees or allows payroll deductions for other purposes.

Entities making independent expenditures greater than \$750 must register as political committee within three days.

Fines for violations; subpoena power for, investigations by City Auditor.

Definitions; other provisions.

No Explanatory Statement submitted.

CITY OF PORTLAND

Measure 26-200

ARGUMENT IN FAVOR

Alliance for Democracy urges **YES on 26-200 for limits on campaign contributions/expenditures and disclosure of true funders of city-level political campaigns.**

Twelve years ago Oregon voters approved limits on campaign contributions/expenditures and prominent disclosure of who funded political ads. The Secretary of State and Attorney General have refused to enforce that measure, effectively overturning the will of the people.

Thus, Oregon has had no limits, one of only six such states. As a result, we have among the most expensive political races in the nation. Our political leaders should not be decided by who has the most money to spend; yet, in the vast number of cases, that is exactly what happens.

Just in the past several months, we know of contributions being given to Portland City Commissioner candidate Loretta Smith from corporations and people with interests which could come before City Council*. This is not unusual. While we don't know that these contributions (many of them \$5,000 or more each) will influence her decisions, we are left to wonder if decisions are made on the basis of merit or on the basis of who has made big contributions.

*She has taken very large contributions from real estate developers; two individuals totaling \$70,000; soft drink distributors/manufacturers; and, indirectly, from Nike. Source: Orestar.

We should not have to wonder; we should be able to trust that merit is the deciding factor. Voters in Portland now have the opportunity to enact limits and disclosure requirements for city level offices. Measure 26-200 limits contributions to \$500 per individual per election cycle, limits the amounts of independent expenditures, and bans all corporate contributions and expenditures.

Further, it requires political advertisements disclose the real identity of the top 5 funders of the ads on the ads.

We deserve HONEST ELECTIONS.

We want limits on campaign contributions/expenditures.
We want disclosure.
Vote YES on 26-200!

(This information furnished by David Delk, Alliance for Democracy.)

ARGUMENT IN FAVOR

We Need Campaign Finance Reform in Portland

Measure 26-200 is needed to fight the corruption caused by unlimited political campaign contributions.

Oregon is one of only 5 states with no statewide limits on political contributions. Candidates and public officials have become unduly beholden to the special interests. Campaign spending on Oregon candidates has skyrocketed 10-fold (1,000%) since 1996, from \$4 million to nearly \$50 million.

The State Integrity Investigation of the Center for Public Integrity and Public Radio International in 2015 graded Oregon an overall "F" in systems to avoid government corruption. **Oregon ranked 2nd worst of the 50 states in control of "Political Financing," beating only Mississippi.**

But the Koch Brothers-funded "Institute for Free Speech" in 2018 ranked Oregon #1 in America for having the "best" system of campaign finance regulation -- no limits! **Big corporations and billionaires really like Oregon's system of no limits, because they can use their money to buy politicians.**

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

Public Access to Information	F
Political Financing	F
Executive Accountability	F
Legislative Accountability	D-
Procurement	F
Lobbying Disclosure	F
Ethics Enforcement Agencies	F

Center for Public Integrity
Public Radio International

THE OREGONIAN reported that candidates for the Oregon Legislature raise and spend more in their campaigns, per capita, than in any other state, except New Jersey.

- The average spent in 2014 by the top 10 Oregon Senate candidates = \$750,000 each.
- The average spent in 2016 by the top 10 Oregon House candidates = \$825,000 each.
- Some candidates spent over \$1 million, over \$80 per vote received.

In 1998 the candidates for Governor spent \$2.5 million. That rose to \$20 million in 2010 and could reach \$30 million this year.

As of early August, more than 60% of the funds raised by each of the Democratic and Republican campaigns for Governor came in donations of \$5,000 each or more.

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(This information furnished by Dan Meek, Honest Elections Oregon.)

ARGUMENT IN FAVOR

THESE OREGON GROUPS AND OREGONIANS SUPPORT 'YES' ON MEASURE 26-200 FOR PORTLAND CAMPAIGN FINANCE REFORM

Political Parties

Democratic Party of Multnomah County
Oregon Progressive Party
Independent Party of Oregon
Pacific Green Party

Local Affiliates of National Organizations

League of Women Voters, Portland Chapter
Jobs with Justice - Portland
NAACP - Portland
350 PDX (also Bill McKibben, founder of 350.org)

Community Organizations

Alliance for Democracy
Asian Pacific American Network of Oregon (APANO)
Association of Oregon Rail & Transit Advocates
Bernie PDX
Democracy Spring
First Unitarian Church, Economic Justice Action
Health Care for All Oregon
Honest Elections Oregon
Humboldt Neighborhood Assn
Linnton Neighborhood Assn
Move to Amend PDX
Onward Oregon
Oregon Physicians for Social Responsibility
Portland-Metro People's Coalition
Portland Clean Air
Portland Tenants United
Right to Survive

CITY OF PORTLAND

Measure 26-200

Tax Fairness Oregon
Unite Oregon
Utility Reform Project

Elected Officials

Brad Avakian	Oregon Labor Commissioner
Chloe Eudaly	Portland City Commissioner
Sharon Meieran	Multnomah County Commission
Michael Sonleitner	Portland Community College Board

2018 Candidates for Elected Office

Jo Ann Hardesty	Portland City Council #3
Marc Koller	U.S. Representative, 3rd District

Individuals

Barbara Dudley	Jason Kafoury
Bob Stacey	Liz Trojan
Dan Meek	Mitch Greenlick
David Delk	Moses Ross
Emma Easley Darden	Seth Woolley
James Cook	Jamie Partridge

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(This information furnished by Dan Meek, Honest Elections Oregon.)

ARGUMENT IN FAVOR

Strengthen democracy and advance racial equity

With Measure 26-200 the City of Portland has an opportunity to strengthen our democracy and advance racial equity.

Portland NAACP has long sought to raise the voices of people of color, immigrant communities and Oregonians of different backgrounds. One of the biggest barriers to this advancement has been the role of money in local politics.

A lack of contribution limits has led to exponential increases in the cost of a campaign for elected office in Portland. This creates a significant racial disparity, placing a disproportionate amount of power in the hands of a few millionaires and large corporations. This undermines a basic democratic principle— one person, one vote.

The most successful Portland candidates often have wide networks of wealthy people financially supporting their campaigns.

This dynamic makes it very difficult for low-income and historically disenfranchised communities. When the voices of the marginalized are stifled, it becomes a threat to the equality promised to all Americans in our political process. If you don't have that wide network of wealthy people supporting your campaign, it proves problematic to run an effective campaign.

Communities of color in Oregon experience higher rates of poverty. Not having access to those

networks poses an almost insurmountable obstacle for a person of color to run a successful campaign for office.

By limiting campaign contributions, the cost in running for office decreases significantly. This will allow young people from different backgrounds, people of color, and people from low-income communities to participate in our democracy. Every community should be able to vote for a true representative in their government, one who has also shared their experiences.

E.D. Mondainé, Jr.
President
NAACP Portland Chapter 1120

(This information furnished by E.D. Mondainé, NAACP Portland Chapter 1120)

ARGUMENT IN FAVOR

With Measure 26-200, the City of Portland has an opportunity to strengthen our democratic process and advance equity.

APANO has long sought to raise the voices of people of color, immigrant communities, and Oregonians of different backgrounds. But one of the biggest structural barriers to this has been the role of money in politics.

The lack of contribution limits has led to exponential increases in the cost of a campaign for elected office in Oregon. This creates a significant racial disparity, placing a disproportionate amount of power in the hands of a handful of millionaires. When one or two millionaires can pump major donations into campaigns, they undermine our basic democratic principle: one person, one vote.

This dynamic makes it very difficult for low-income communities and historically disenfranchised communities to have their voices heard equally in our political process. If you need to have a wealthy network to be a candidate, people who don't have that network struggle to run an effective campaign. Because many communities of color in Oregon do not have access to those networks, and experience higher rates of poverty, it is hard for a person of color to run for office.

Oregon is a diverse state, and it needs to have more diversity in its elected positions. For instance, in all of Oregon today, there are only 5 elected officials at any level of government who are Asian American or Pacific Islander (AAPIs) -- in a diverse state with over 260,000 AAPIs. By limiting campaign contributions, we can help to bring down the costs of running for office. That will allow young people, people of color, people from both low-income and rural communities, and people of different backgrounds to participate in our democracy by serving as candidates. Every community should be able to vote for a true representative in their government, who understands their experiences because they have also shared those experiences.

Asian Pacific American Network of Oregon (APANO)

(This information furnished by Colin K Crader, Asian Pacific American Network of Oregon, APANO)

ARGUMENT IN FAVOR

Big Money Dominates Portland Elections

The 2012 winner of Portland's mayorship spent over \$1.7 million. His two primary opponents spent \$1.4 million and \$965,000. The 2016 winner spent \$1 million in the primary alone.

Most of the money comes from big donors, in chunks as large as \$60,000 per donor. The major corporate donors are typically property developers, landlords, construction companies, financial moguls, timber companies, rail contractors, and companies wanting government to pay more of the \$1 billion+ tab for the Portland Harbor Superfund cleanup.

Portland has an affordable housing crisis. Rents are high. The largest campaign contributors to candidates for city office are usually owners and developers of real estate, who benefit from high rents. Go figure.

Of the \$1 million spent by Ted Wheeler's 2016 mayor campaign, 52% came from contributions of \$2,000 or more. Only 5% came from contributions of under \$200.

Of the \$1.7 million spent by Charlie Hales's 2012 mayor campaign, 44% came from contributions of over \$1,000 each. Only 7% came from contributions of \$100 or less.

In the current contest for Portland City Commissioner, as of early August 2018:

CITY OF PORTLAND

Measure 26-200

Of the \$476,000 raised by Loretta Smith's campaign, 64% came from contributions of \$2,000 or more. Only 3% came from contributions of under \$200. She has received 12 contributions over \$10,000 each.

Of the \$269,000 raised by Jo Ann Hardesty's campaign, only 17% came from contributions of \$2,000 or more, while over 36% came from contributions of \$200 or less. Please read her statement in this Voters' Pamphlet supporting Measure 26-200. Her campaign demonstrates that candidates for Portland office can raise sufficient funds from donations of \$500 or less (69% of her total).

Portland should Seattle by adopting limits on political campaign contributions, which are in place for 90% of local governments in the nation. Our proposed \$500 limits are the same as those adopted by voters in Seattle in 2015.

honest-elections.com info@honest-elections.com
503-427-8771 @honestelect

(This information furnished by Dan Meek, Honest Elections Oregon.)

ARGUMENT IN FAVOR

CANDIDATES DO NOT NEED HUGE CONTRIBUTIONS IN ORDER TO RUN EFFECTIVE CAMPAIGNS
VOTE YES ON 26-200

Some opponents of campaign finance reform say that Measure 26-200's limits on political contributions would not allow candidates to run effective campaigns for public offices of the City of Portland.

Measure 26-200 limits candidates to receiving only contributions from individuals or PACs in the amount of \$500 each per election cycle.

But similar limits have been in place for decades in 44 other states, and candidates there are running effective campaigns. The difference is that those candidates need to contact more people who are not corporate executives or wealthy individuals. They have to contact more regular people, like us. That can be done, thanks to the internet.

Campaign contributions in Washington have been limited to \$600 per person per 2-year election cycle for a long time. Seattle last year reduced the limit to \$500 per person. Yet, politicians there raise funds and conduct effective campaigns there.

Many states limit contributions, even in statewide races, to \$600 or less per person per election cycle:

Alaska	\$ 500	Kansas	\$ 500
Colorado	\$ 200	Maine	\$ 375
Connecticut	\$ 250	Montana	\$ 170
Delaware	\$ 600	Wisconsin	\$ 500

Candidates for Portland office can certainly conduct effective campaigns, funded by contributions capped at \$500 per person and per PAC.

The Bernie Sanders campaign raised \$231 million from 7 million donations (from 2.7 million donors), an average of \$86 per donor (\$33 per donation). It is now very fast and easy to make political contributions on the internet.

Also, Measure 26-200 provides for Small Donor Committees, which is a PAC that limits incoming contributions to \$100 per year per individual. The Small Donor Committee can then spend all those funds to support or oppose candidates. So candidates can obtain significant financial support from grassroots organizations that receive only small individual contributions.

We call that Grassroots Democracy.

honest-elections.com info@honest-elections.com
503-427-8771 @honestelect

(This information furnished by Dan Meek, Honest Elections Oregon.)

ARGUMENT IN FAVOR

EXPLANATION OF MEASURE 26-200

Measure 26-200 creates a new City Charter provision placing limitations on:

- (1) Contributions to political campaigns for candidates running for city elective offices.
- (2) Independent Expenditures in support or opposition to any Candidate for a city elective office.

Measure 26-200 requires that each Communication to voters about a City of Portland Candidate Election prominently disclose the five largest true original sources of its funding (in excess of \$500).

The measure:

1. **Limits Contributions and Expenditures to support or oppose Candidates for public office in City of Portland elections:**
 - Limits Candidate or Candidate Committee to receiving only these Contributions per Election Cycle:
 - from any Individual: \$500
 - from any Political Committee: \$500
 - from any corporation: \$0
 - Allows formation of Small Donor Committees, which may accept contributions only of \$100 or less per Individual person per year. Small Donor Committee can use these funds to support or oppose Candidates, if it complies with the \$100 per Individual per year limit on incoming contributions.
 - Requires any entity that spends more than \$750 per Election Cycle on Independent Expenditures to register as a Political Committee; requires reporting of funding sources and expenditures on the state ORESTAR system.
 - Limits Independent Expenditures in any City of Portland Candidate race to:
 - \$5,000 per Individual
 - \$10,000 per Political Committee, but only from contributions to the Political Committee by Individuals of \$500 or less per Individual per calendar year
2. Requires that each paid Communication to voters related to a City of Portland Candidate Election prominently disclose the five largest true original sources of Contributions and/or Independent Expenditures in excess of \$500 each that funded the Communication.
3. Violations are subject to a civil fine of not less than two and not more than twenty times the amount of the unlawful Contribution, Expenditure or Independent Expenditure.
5. Includes adjustments for inflation on January 1 of each odd-numbered year.

(This information furnished by Dan Meek, Honest Elections Oregon.)

CITY OF PORTLAND

Measure 26-200

ARGUMENT IN FAVOR

OREGON DOES NOT REQUIRE EFFECTIVE DISCLOSURE OF THE SOURCES OF BIG MONEY

"Independent Expenditures"

In Oregon it is easy to pay for political ads through a **501(c)(4) "dark money"** nonprofit corporation with a nice name. The corporation never has to identify where its money came from, making it impossible to identify the true source.

Direct Campaign Contributions

Even if the ad is purchased by the candidate's PAC, Oregon **does not** require that the ad identify the PAC or any of its sources of money. If the ad identifies the PAC, it is usually "Friends of Mary Jones [candidate name]."

Yes, you can look up on ORESTAR the contributions to the candidate's PAC, but those often come from other PACs, which in turn are funded by yet other PACs. Unlike most states, **Oregon allows unlimited PAC-to-PAC transfers**, which can be used to hide the true sources of the money.

Requiring the voter to spend hours on Internet research to find out the funding sources is not at all the same as revealing them directly in the political ad itself.

TAGLINE REQUIREMENTS IMPACT ELECTION AND AIR QUALITY OUTCOMES

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

Accidents (including huge explosions) at the Chevron refinery in Richmond released toxic gases. Richmond City Council pushed for toxic controls and sued Chevron for damages resulting from a major fire in 2012 that sent thousands of Richmond residents to hospitals. Chevron decided to take over the city government by running candidates for mayor and city council in 2014. Chevron spent over \$3 million promoting its 4 candidates (\$281 per voter), outspending the environmentalist candidates, including Green Party members, by a factor of 50.

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

All of Chevron's candidates lost overwhelmingly. Air quality won.

See http://pdxcleanair.org/richmond_article

GREENS & PORTLAND CLEAN AIR SUPPORT YES ON 26-200

(This information furnished by Seth Woolley, Pacific Green Party and Portland Clean Air.)

ARGUMENT IN FAVOR

MEASURE 26-200 REQUIRES THAT POLITICAL ADVERTISEMENTS DISCLOSE THEIR BIG FUNDERS

The **Pacific Green Party** and **Portland Clean Air** jointly support 26-200 because real campaign transparency works for environmental causes.

Portland Clean Air publishes pollution maps and educates neighbors so they can fight back against pollution, but political pressure from shadowy campaign funders made it ridiculously difficult to get records from the Oregon Department of Environmental Quality.

See http://pdxcleanair.org/oregonian_article

Voters should know who are paying for political ads in order to judge credibility of the messages and so stop electing

politicians beholden to corporate polluters.

Measure 26-200 requires that every political ad in a Portland candidate race state, **in the ad itself**, the **5 largest true, original sources of money** used to fund it.

Opponents of limits on campaign contributions often say that all the public needs is disclosure of the funders of the political advertisements. But such disclosure does not work well in Oregon.

Laws requiring that political advertisements identify their source are in place in 46 states. The Oregon Legislature repealed the law so requiring in 2001. **Here it is legal to do political ads and never identify their source or who paid for them.**

Federal law requires that ads on broadcast TV and radio at least identify their source, but even that can be the name of a nice-sounding committee or nonprofit corporation that tells you nothing about the real sources of the money.

The Corporate Reform Coalition (75 prominent organizations) in 2012 concluded that only 6 states have worse systems than Oregon for disclosing "independent expenditures" that pay for political ads. **Oregon earned an F**, while Washington got an A. Oregon has not improved since 2012.

Several states have adopted more stringent "tagline requirement" laws that mandate that political advertisements identify their true, original major sources of funding, including California, Washington, Connecticut and Maine.

Voters deserve to know who is providing the Big Bucks behind political ads.

VOTE YES ON 26-200

(This information furnished by Seth Woolley, Pacific Green Party and Portland Clean Air.)

ARGUMENT IN FAVOR

VOTE YES ON 26-200 TO PROTECT OUR ENVIRONMENT

Portland residents have recently become aware that our urban environment is not the green and healthy place that many believed it to be. The air shed is filled with unhealthy levels of toxic metals, our rivers are polluted, our children's drinking water is contaminated with lead, and dangerous fossil fuel infrastructure sits in seismic liquefaction zones where it can leak or explode -- especially in the event of a large earthquake.

Lax environmental regulation is at the core of these problems.

One major factor is that our government at all levels is unduly influenced by polluters who make large campaign contributions to the politicians they believe will protect their interests.

Here's how it works:

- (1) environmental and public health laws are weak because big polluters have an undue influence in the political process;
- (2) regulators recognize this influence and are less aggressive in enforcing the already weak environmental rules; and
- (3) the apparent conflicts of interest reduce public confidence in government, and people stop expecting the government to protect public health and the environment.

Elected officials come to rely on campaign contributions in order to stay in office and adjust their regulatory priorities as to not upset big contributors. This undue influence filters down to the bureaus, departments, and agencies who are charged with administering our environmental rules. This "regulatory capture" is often why environmental rules are weakened and underenforced.

Examples include the failure of government to:

- require significant clean-up of toxic materials in the

CITY OF PORTLAND

Measure 26-200

Willamette River at Portland Harbor

- protect our air from cadmium, arsenic, chromium, & lead emissions from local industries.

We can take an important step toward creating a government willing to protect the environment and public health based on the best available science, instead of looking out for the profits of polluters.

Please vote YES for 26-200 to move Portland toward better environmental stewardship.

Nicholas Caleb
Environmental Attorney

(This information furnished by Nicholas Caleb.)

ARGUMENT IN FAVOR

Why Campaign Finance Reform Matters for the Environment

Clean air and water are among our highest priorities and must be protected when making development and economic policies. But the lack of limits on campaign contributions and effective disclosure of campaign funding sources mean translate into environmental harm.

More than 2/3 of Oregon's largest industrial polluters are operating without valid permits, which are often 3 decades out of date. Some industrial facilities have gone for decades without inspection by the state. In 2017 Oregon legislators defeated a proposal to regulate large-scale industrial polluters that would have addressed this problem.

The 2017 Legislature removed the authority of the state agency responsible for regulating the final cover and structural integrity of landfills--immediately before one of the state's largest regional landfills was scheduled to close .

A 2016 review by THE OREGONIAN of the state's handling of toxic air quality in Portland found that the agency was "timid, leaderless and consistently influenced by industry interests."

Oregon is the dumping ground for dirty diesel engines and trucks that are banned in California and Washington but are allowed to operate in Oregon. EPA reports that diesel emissions cause nearly 250 premature deaths in Oregon per year and \$3.5 billion in health care costs and lost productivity. Multnomah County air ranked in the worst 1% of counties nationwide for concentrations of diesel particulate, according to the EPA National Air Toxics Assessment (December 2015). The same study ranked Portland as the worst city nationwide for respiratory distress and Multnomah County in the worst 2% of U.S. Counties for cancer risk. The State of Washington has invested 20-fold more in diesel clean-up than Oregon since 2002.

Communities with low socio-economic scores and minority communities are the most likely locations for "toxic outliers"--facilities that emit extraordinary amounts of harmful pollutants.

Campaign finance reform is critical for protecting the environment.

Independent Party of Oregon info@indparty.com 503-437-2833

(This information furnished by Dan Meek, Independent Party of Oregon.)

ARGUMENT IN FAVOR

Health Care for All-Oregon Action Supports 26-200

Health Care for All-Oregon Action aims to pass a ballot measure to implement an equitable, affordable, comprehensive, high quality, publicly funded universal health care system serving everyone in Oregon.

HCAO Action supports Portland Measure 26-200 limiting

campaign contributions for candidate elections in the city. We recognize that a big reason for lack of universal publicly funded healthcare up to now, which is supported by a majority in Oregon, is excessive money from corporations and wealthy individuals that candidates feel they need to win elections. The resultant influence is said by some in public debates to make the most effective and affordable approaches to health care "politically unrealistic."

Measure 26-200 is a small step to limit the influence of big money in politics and policy making. It will improve public accountability in the city. It can help build momentum for wider reform, by offering a good example for other counties and the state of Oregon to follow.

HCAO Action has adopted principles of Universality, Equity, Accountability, Transparency, Participation, and health care as a Public Good. Measure 26-200 helps make candidate elections more equitable, by limiting the effect of wealth on candidate elections. It has specific requirements that increase transparency. If passed the measure may increase participation by giving ordinary voters more voice in elections. Increased transparency and participation will make officials more accountable to the public as a whole, rather than to wealthy donors.

HCAO Action urges Portland voters to approve measure 26-200.

(This information furnished by Jim Robison, Health Care for All Oregon Action.)

ARGUMENT IN FAVOR

Big money dominates Portland elections. Contribution limits could help restore balance, allowing regular people to play a bigger role in determining who can run for public office, who can win, and what issues elected officials work on while in office.

In Portland's 2016 Mayoral race, just 400 big dollar donors together gave nearly half a million dollars to campaigns. Regular people contributing tens of dollars each, and candidates who rely on regular people to support their campaigns, can not compete with the flood of money from big donors. By limiting the amounts each big donor can give, contribution limits would restrict big donors from overshadowing regular people. Portland will soon be implementing Open and Accountable Elections Portland, to give people-powered campaigns a chance in Portland, but small-dollar candidates will still have a hard time competing against big donors without limits. Honest Elections Portland would provide those limits, evening the playing field.

The State Integrity Investigation of the Center for Public Integrity gave Oregon and "F" in systems to avoid government corruption, and ranks Oregon 49th out of 50 states in "Political Financing" (only Mississippi scored worse). Honest Elections Portland would be an important step towards improving the integrity of Portland's elections.

-Kristin Eberhard, Sightline Institute

(This information furnished by Kristin Eberhard, Sightline Institute.)

ARGUMENT IN FAVOR

Portland Forward urges you to vote YES on getting big money out of Portland politics.

We believe that **political power should arise from the value of ideas, not the size of contributors' checkbooks**. We also know that a system with unlimited contributions leads to much more expensive and exclusive elections. Other larger, wealthier cities in the US spend much less per capita than Portland on their local races. For example, Seattle typically spends less than half as much in their Mayoral races.

CITY OF PORTLAND

Measure 26-200

Measure 26-200 will limit large contributions, empower small donors, and inform voters of the largest donors to each candidate.

This measure includes best practices from around the country and will allow politics to be accessible to everyone, not just the wealthy. This measure would go a long way towards creating a city where people from every corner would be able to participate in determining the direction of Portland's future.

Portland Forward is a multigenerational group dedicated to achieving big-picture progressive changes for the Portland region. In 2015, a group of local leaders recognized that the scale of problems facing our community required a coordinated, long-term strategic effort.

Our top priorities are:

- Solving our housing and transportation woes
- Helping develop a clean energy economy
- Creating a public bank to maximize our public investments and keep our funds out of institutions such as Wells Fargo that undermine our community values
- Making our local democracy more fair, equitable, and effective for everyone

What stands in the way of these, and many other, important policies for our City is the outsized role of big money. The corrupting influence of wealthy special interests creates an atmosphere where the average Portlander does not have a meaningful voice in City Hall.

Please join Portland Forward in voting YES on 26-200 and building a democracy that works for all Portlanders.

For more information on our organization and how to get involved, visit:

<https://www.portlandforward.org>

(This information furnished by Jason Kafoury, Portland Forward.)

ARGUMENT IN FAVOR

Fed up with Big Money Politics? Vote Yes on Measure 26-200

There is WAY too much money from too few people in politics today. Millionaires and billionaires shouldn't have a larger voice than anyone else when it comes to Oregon elections.

Measure 26-200 sets tough, fair limits on the amount of money anyone can contribute to a local candidate, PAC, or political party. Let's shut down the loopholes that big donors are using to secretly funnel huge amounts of money to influence public policy in Oregon, and let's force every campaign to disclose its major donors right in their ads. Don't let big money drown out your voice. Vote YES on Measure 26-200.

Ban SUPERPACS and Dark Money groups by voting YES on Measure 26-200

Under current law, wealthy interests can give unlimited amounts of money to so-called "independent" campaigns or secretive "non-profit" organizations that don't even have to disclose their donors. Those groups then fund attack ads and mailers that clog your mailbox, television and computer screen with slander and mudslinging.

Let's make local politics honest by making SuperPACS and other campaign organizations play by the same rules that individuals have to play by, with limited contributions promptly disclosed. Measure 26-200 would do that and require every political ad to identify its top 5 sources of funding.

Make Portland Officials Accountable to Ordinary Citizens

Even our local elected officials in Portland raise most of their campaign funds from a small group of wealthy interests. After the election, those officials inevitably listen more to the big donors who funded their campaigns than they do to the rest of us.

We can change that by requiring all candidates to raise their campaign funds from small donations that come from a broad base of their constituents. That will ensure that everyone's voice is heard during campaigns. More importantly, it will make politicians accountable to their constituents, not big money interests.

Vote YES on Measure 26-184.

honest-elections.com
503-427-8771

info@honest-elections.com
@honestelect

Utility Reform Project info @ utilityreform.org

(This information furnished by Dan Meek, Utility Reform Project.)

ARGUMENT IN FAVOR

HOW PORTLAND MEASURE 26-200 IS DIFFERENT FROM PORTLAND'S PROGRAM FOR "PUBLIC FUNDING" OF CAMPAIGNS

They are very different, but they could work well together in the future.

Portland Measure 26-200

Measure 26-200 limits campaign contributions and independent expenditures and requires that political ads identify their top 5 funders. The limits are:

- Contributions to candidates from individuals and political action committees: \$500 per election cycle (4 years)
- Contributions and "Independent Expenditures" by corporations: Zero
- "Independent Expenditures" by individuals: \$5,000 per election cycle (4 years)

It does not provide public funding to candidates. It applies to races for Portland city offices, including Mayor, City Commissioner, and City Auditor.

Measure 26-200 is a ballot measure to be adopted, or rejected, by a vote of the people of Portland.

City of Portland Public Funding of Campaigns Program

This is a program adopted by the Portland City Council in 2016, for implementation in 2020.

The Portland proposal would not limit campaign contributions or independent expenditures. It would provide public funding for candidates for Portland City elected offices (Mayor, City Council and Auditor) by paying matching funds for every contribution of \$250 or less received by each participating candidate. It includes restrictions on which candidates qualify and requires each to agree to a cap on overall campaign spending:

Mayor	\$950,000
City Commissioner	\$550,000
City Auditor	\$550,000

It is expected to cost about \$2 million per 2-year election cycle.

Learning for the Future

Both approaches to campaign finance reform have advantages over the present Oregon system of unlimited contributions, unlimited expenditures, and poor disclosure of the sources of campaign money.

Measure 26-200 would decrease the cost of the public funding system by reducing the amounts of added funding provided when non-participating candidates raise large amounts in private donations. It would also require that advertising paid for by large private donations prominently disclose its top five funders.

If Measure 26-200 passes, we can learn from the implementation of both systems.

CITY OF PORTLAND

Measure 26-200

honest-elections.com
503-427-8771

info@honest-elections.com
@honestelect

(This information furnished by Dan Meek, Honest Elections Oregon.)

ARGUMENT IN FAVOR

The **Democratic Party of Multnomah County** endorses and supports Portland Measure 26-200 and encourages a **YES** vote.

In early September, Knute Buehler received **\$1.5 million** from a single person, Phil Knight, former CEO of Nike. That was a striking and terrifying example of how a **single individual** with massive resources thinks they can buy-off the electorate and purchase Oregon's political landscape.

In 44 other states this contribution to a candidate for state office would be illegal.

That \$1,500,000 contribution was the biggest from an individual to a candidate in the history of Oregon. Chris Dudley, the Republican candidate for Governor in 2010, collected over \$2.5 million from the "Republican Governors Association," a private group that does not disclose its donors. **Oregon allows such contributions to remain cloaked in secrecy.**

As of early August, only 25% of the funds for Buehler's campaign came in donations of \$500 or less. **54% of Buehler funds came in donations of larger than \$5,000 each.** Even federal candidate donations are limited to \$2700 per individual donor.

Michael Cohen, the personal lawyer for Donald Trump paid \$130,000 to porn star Stormy Daniels just before the 2016 election to prevent her from revealing her affair with Trump. Cohen pleaded guilty to making a campaign contribution larger than allowed by the federal limits. **But those limits do not apply to races for state or local office in Oregon.**

Tom Delay, the former Republican leader in the U.S. House of Representatives was convicted by a jury in 2011 of money laundering for channeling \$190,000 of corporate money into the campaigns of candidates for the Texas Legislature. **What he did is legal in Oregon.**

The Multnomah County Democratic Party endorses and supports a **YES** vote for Portland **Measure 26-200** to level the political playing field and to get big money out of politics.

www.MultDems.org

Lurelle Robbins, Chair, The Democratic Party of Multnomah County

(This information furnished by Lurelle E Robbins, The Democratic Party of Multnomah County.)

ARGUMENT IN OPPOSITION

This measure is unconstitutional censorship. Voting for this measure is voting to waste taxpayer money on lawyers.

A nearly identical measure was passed in 2016 as Measure 26-184, a Multnomah County Charter amendment. The Multnomah County Circuit Court recently ruled that that measure's contribution and expenditure limits were unconstitutional (case no. 17CV18006).

Also recently, the Oregon Supreme Court reaffirmed that political contributions are constitutionally protected. Quoting *Markley/Lutz v. Rosenblum*, 362 Or 531, 413 P3d 966 (2018):

Article I, section 8, of the Oregon Constitution prohibits laws "restraining the free expression of opinion, or restricting the right to speak, write, or print free[ly] on any subject whatever." See *State v. Robertson*, 293 Or 402, 649 P2d 569 (1982) (interpreting Article I, section 8). This court held

in *Vannatta v. Keisling*, 324 Or 514, 931 P2d 770 (1997) (*Vannatta I*), that making contributions to candidates is protected expression and that laws limiting the amount of contributions that a person, corporation, or union makes to candidates or political committees violate Article I, section 8. 324 Or at 537-39; see *Vannatta v. Oregon Government Ethics Comm.*, 347 Or 449, 222 P3d 1077 (2009) (clarifying *Vannatta I*).

This measure has no chance of surviving a court challenge. Adopting this would merely cause another round of litigation, a complete waste of resources for a foregone conclusion.

This measure is invasive and limits the ability of ordinary people to get involved in politics. Section 3-302(c)(1):

An Individual may make aggregate Independent Expenditures of not more than five thousand dollars (\$5,000).

This makes it illegal to spend "too much" of your own money on your own communications to support or oppose a candidate. You could not do things (e.g. send direct mail) that political organizations still could – but organizations aren't supposed to have more rights than people!

This measure even limits how much of a candidate's own money they can spend on their campaign. Muzzling the candidate themselves is the pinnacle of censorship.

(This information furnished by Kyle Markley.)

ARGUMENT IN OPPOSITION

No on Measure 26-200

26-200 makes it harder for ordinary citizens to run as candidates,

26-200 protects the 95% re-election rate of politicians.

The re-election rate of politicians nationwide has been 95%.

Arbitrary money limits like 26-200 hurt ordinary citizen challenger candidates TWICE as hard than sitting politicians already in office.

Incumbent Politicians have all the basic money they need because you and I taxpayers pay for their offices, websites, salaries and public relations staff. They get endless free press from the media anytime they want.

Simply put, politicians start every election race far ahead of challengers.

Measure 26-200 blocks ordinary citizens from raising funds necessary to create a level playing field.

Imagine if you were a candidate. Could you produce a TV ad and raise a million dollars through small donations as Measure 26-200 requires? You can't! The voice of ordinary candidates will vanish under Measure 26-200.

Sitting politician don't need million dollar TV ads. They can get free continuous media attention anytime they want because of the office they hold.

Measure 26-200 handicaps ordinary citizens running for office.

The current 95% re-election rate is proof the system is unfair. Measure 26-200 makes it more unfair by punishing ordinary citizen candidates.

Vote No on Measure 26-200

(This information furnished by Jason Williams, Taxpayers Association of Oregon.)

CITY OF PORTLAND

Measure 26-200

ARGUMENT IN OPPOSITION

No on Measure 26-200

If you ran for elected office and your grandma donated \$505 she would be breaking the law under Measure 26-200.

Does that makes sense to you?

Turning grandma into a criminal won't make things better.

Restricting free speech and blocking people from participating in democracy won't make things better either.

The key problem isn't corporations giving money to politicians. The bigger problem is politicians giving money to corporations. Look at Oregon's shameful corporate welfare.

- \$5 million in taxpayer resources being used to build private luxury hotels in Portland (The Nines hotel, Portland Convention Center Hyatt). Maybe these luxury hotels should house our homeless as thanking us taxpayers for their privileged government support?
- \$19 million in Oregon tax dollars are lavished on Hollywood-style film companies to do movies here. Since the City won't fix your pothole, maybe you should hire a Hollywood film crew to do it for you while you cash in your government rebates.
- Over \$1.9 billion in state government contracts went to corporations of whom these same corporations donated \$826,000 back to the very statewide office holders who awarded the contracts. This is illegal in other states! It should be illegal in Oregon. (Forbes 2-13-17)

Cleaning up politics begins with outlawing corporate welfare not making outlaws out of ordinary citizens as Measure 26-100 does.

Please...

- Don't censor free speech as Measure 26-100 does.
- Don't limit people participating in politics
- Don't criminalize grandma for giving a simple \$505 donation
- Don't perpetuate the politicians' 95% re-election rate by handicapping challengers

The Taxpayer Association urges No on 26-100

-- Follow our popular Oregon tax and political news website at OregonWatchdog.com -- updated daily for 17 years.

(This information furnished by Jason Williams, Taxpayers Association of Oregon.)

ARGUMENT IN OPPOSITION

OREGON ELECTIONS ARE RIGGED BY BIG MONEY LET'S KEEP IT THAT WAY!

VOTE NO ON 26-200

With Oregon's unlimited political campaign contributions and spending (unlike 44 other states), candidate who raise and spend the most money wins over 91% of the time (almost always the incumbent).

Portland city races now cost upwards of \$1 million, sometimes almost \$2 million.

POWER TO THE PEOPLE -- THE BEST PEOPLE

Most of that money comes in huge contributions from property developers, landlords, executives of multinational corporations, construction companies, financial moguls, timber companies, rail contractors, hedge fund operators, and corporations wanting government to pay more of the \$1 billion+ tab for the Portland Harbor Superfund cleanup (PHS).

These funders are truly the elite leaders of America. They have the best educations, the nicest houses, and the biggest yachts. **They know best who should serve in public office.** Elected officials should indeed listen to them do what they say.

The next best thing to having a rich person in public office is a public officer beholden to rich people.

THE BEST PEOPLE ARE THE ONES WITH THE MOST MONEY

As our President, Donald Trump, said:

"As a businessman and a very substantial donor to very important people, when you give, they do whatever the hell you want them to do." (July 29, 2015)

"I gave to many people, before this, before two months ago, I was a businessman. I give to everybody. When they call, I give. And do you know what? When I need something from them two years later, three years later, I call them, they are there for me." (August 6, 2015)

"When I call, they kiss my ass." (January 9, 2016)

Talking Points Memo, September 6, 2016

<http://talkingpointsmemo.com/trump-bondi-contributions>.

MONEY IS SPEECH - THE BEST SPEECH DON'T LET VOTERS SPOIL OUR RIGGED SYSTEM!

All of the statements in favor of Measure 26-200 are fake news. Committee of the Best People with the Best Words best-words.com

(This information furnished by Dan Meek.)

ARGUMENT IN OPPOSITION

Committee to Welcome Michael Cohen to Oregon Opposes Measure 26-200

We extend a hearty welcome to Michael Cohen and urge him to relocate to Oregon, where his skills at financial and political manipulation will be appreciated -- and legal!

Michael Cohen pleaded guilty to making an in-kind contribution to the presidential campaign of Donald Trump that was larger than allowed by federal law. His contribution was the \$130,000 paid to Stormy Daniels to silence her before the 2016 election. Federal law allowed him to contribute only \$2,700 to the Trump Campaign. His violation was a felony, punishable by a fine of up to \$250,000 and even jail time. Disgusting!

If Michael Cohen had contributed that \$130,000 to a candidate for state or local office in Oregon, it would have been perfectly legal. Oregon politicians often receive contributions far larger than \$130,000. Phil Knight recently contributed \$1.5 million to the Knute Buehler (R) campaign for Governor. In 2014 he contributed \$250,000 to the John Kitzhaber (D) campaign for Governor. Oregon's timber executives contribute \$200,000 to \$400,000 at a pop.

Michael Cohen would fit right in here in Oregon.

Also, Oregon law has a great loophole that exempts all campaign contributions from the law against bribery of public officials. ORS 162.015 defines bribery as giving "any pecuniary benefit upon a public servant with the intent to influence the public servant's vote, opinion, judgment, action, decision, or exercise of discretion in an official capacity." But ORS162.005 specifies that "pecuniary benefit" "does not include a political campaign contribution." Fantastic!

So, in Oregon, bribery with campaign contributions is legal. Are you listening, Michael Cohen?

Portland Measure 26-200 would prevent Michael Cohen (and anyone else) from political bribery of City officials or candidates. Sad! It would also be a model for all of Oregon, which would entirely derail Michael's new career in Oregon. Treason?

Vote No on Measure 26-200. Welcome, Michael Cohen!

Committee to Welcome Michael Cohen to Oregon
ocwmc@oreg.us

(This information furnished by Dan Meek, Honest Elections Oregon.)

Politicians should listen to the people

Vote Yes on Measure 26-200

I am an advocate for Honest Elections because it helps level the playing field— making it easier for ordinary people to make their voices heard and making it easier for people from historically marginalized communities to run for office.

E.D. Mondaine, President of NAACP Portland Chapter



As an Oregon State Legislator I've seen first-hand the undue influence of corporate money in politics. Not only is it way too expensive to run for office in Oregon, but once elected, politicians sometimes end up making decisions based on moneyed interests instead of what they know is right.

Rep. Alissa Keny-Guyer, Oregon Legislator



As a candidate for Portland City Council, I spend up to 5 hours a day on the phone asking people for money— I would much rather spend that time talking to voters about the issues that matter to them. We need to get Big Money out of politics so regular people's voices can be heard.

Jo Ann Hardesty, City Council Candidate



DID YOU KNOW?

- ✓ Nearly all US cities have limits on campaign contributions.
- ✓ The Center for Public Integrity rates Oregon's campaign finance system 49th in the country, just ahead of Mississippi.
- ✓ Major campaigns for Portland mayor average spending \$1.5 million, roughly double those of Seattle.



View video testimonials from community advocates at:
facebook.com/honestelectionsportland or honest-elections.com/videos

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PORTLAND, OR 97219

Get your ballot in by **November 6th!** (or postmarked by Nov 2nd)



We support Measure 26-200



Community Organizations

- 350 PDX
- Alliance for Democracy
- Asian Pacific American Network of Oregon (APANO)
- Audubon Society of Portland
- Association of Oregon Rail and Transit Advocates
- BerniePDX
- Democracy Spring
- Eastside democratic Club
- Economic Justice Action Group/1st Unitarian Church
- Health Care for All Oregon - Action
- Jobs with Justice
- League of Women Voters of Portland
- Move to Amend PDX
- NAACP Portland
- National Association of Letter Carriers, Branch 82
- Oregon Physicians for Social Responsibility
- Portland Clean Air
- Portland Forward
- Portland-Metro People's Coalition
- Represent U.S. - Portland
- Tax Fairness Oregon
- Unite Oregon
- Utility Reform Project
- Veterans For Peace Chapter 72

Elected Office Holders

- Chloe Eudaly, Portland City Council
- Sharon Meieran, Multnomah County Commission
- Brad Avakian, Oregon Labor Commissioner
- Bob Stacey, Metro Council
- Alissa Keny Guyer, Oregon House Representative
- Mitch Greenlick, Oregon House Representative
- Michael Sonnleitner, Portland Community College Board of Directors

City Council Candidates

- Jo Ann Hardesty, Position 3

Neighborhood Associations

- Humboldt
- Linnton
- Woodlawn
- Eastmoreland
- Roseway

Political Parties

- Independent Party of Oregon
- Democratic Party of Multnomah County
- Oregon Progressive Party
- Pacific Green Party

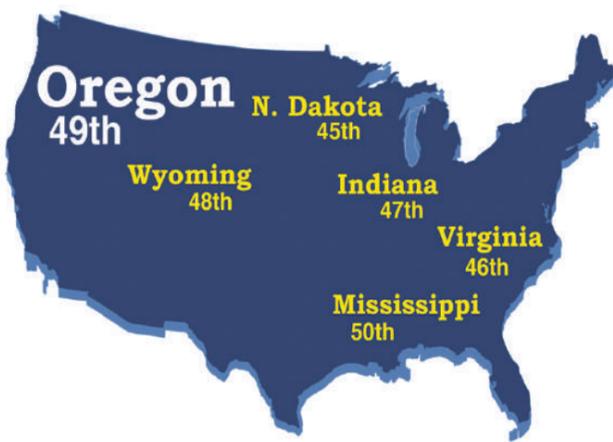
Get your ballot in by
November 6th!
 (or postmarked by Nov 2nd)



Get big money out of Portland politics!

Big money in politics weakens our democratic institutions by inviting corruption, undermining confidence in government, and excluding the vast majority of citizens from seeking public office. Strong campaign finance laws are critical to protect the integrity of local elections— the elections that in many ways affect most how we live our lives.

Most people are shocked to learn that Oregon is one of only 5 states with no state law limiting political contributions. Candidates and public officials serve the special interests that contribute the largest sums. In Oregon **campaign spending has skyrocketed by a factor of 10 (1,000%) since 1996**. The Oregonian reported that candidates for the Oregon Legislature raise and spend more in their campaigns, per capita, more than anywhere but New Jersey. The top 10 Oregon Senate candidates in 2014 averaged \$750,000 each. The top 10 Oregon House candidates in 2016 averaged \$825,000 each.



The State Integrity Investigation of the Center for Public Integrity in 2015 ranked Oregon **the 2nd worst of the 50 states in avoiding corruption, beating only Mississippi**. It's not surprising to see where much of this influence comes from. Moneyed interests like the Koch brothers really like Oregon's lack of limits because they can buy politicians.

The big money arms race is just as bad locally. **The 2012 winner of Portland's mayoral race spent over \$1.7 million**. His two primary opponents spent \$1.4 million and \$965,000 respectively. The 2016 winner spent \$1 million in the primary alone, winning the office outright.

Most money comes from big donors, in chunks as large as \$60,000 per donor. Major corporate donors are typically property owners, investors and developers, financial moguls, and other big businesses responsible who want

to shift their responsibility for things such as the the \$1 billion+ Portland Superfund site. Portland is becoming unlivable for many residents; the City Council has even declared a housing crisis. Policy should protect constituents not special interests.

Portland should join Seattle by adopting limits on campaign contributions, which are in place for 90% of local governments in the United States. The limits we propose are the same as those adopted by voters in Seattle in 2015: candidates may not receive contributions larger than \$500 per donor. With new limits, and a renewed sense that their voice can matter in how elected officials govern, voters can restore Portland to a place where our government reflects what we value most.

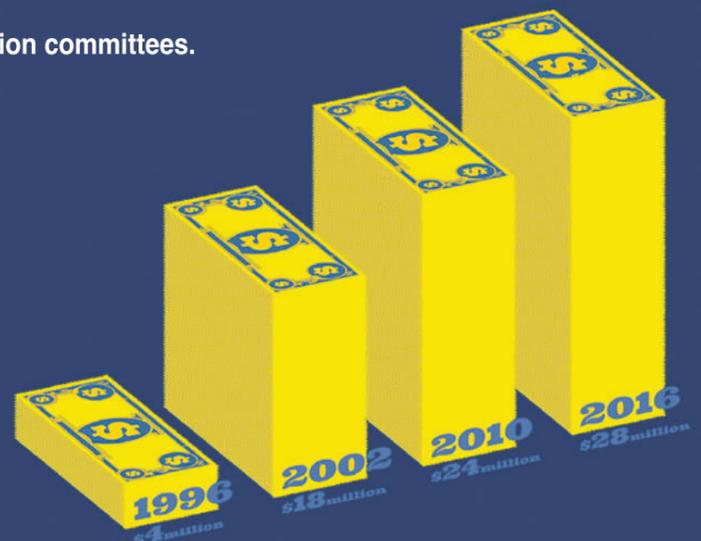
Measure 26-200 keeps Portland of, by, and for the people by:

Limiting the influence of money

- ✓ \$500 cap on contributions to candidates from individuals and political action committees.
- ✓ Limits outside spending on races.
- ✓ Bans corporate money in candidate races.

Empowering ordinary voters and candidates

- ✓ Encourages candidates to focus on voters and issues—not donors.
- ✓ Enables more candidates—including women, people of color and young people— to run without ties to big money.
- ✓ Reduces the influence of big money on policy, including regulations to protect families, workers, and the environment.
- ✓ Reduces the undue influence on public officials and government contracts.



Spending on Oregon Legislative Races

Measure 26-200 Allows Small Donors to Pool Their Funds for Big Impact

Measure 26-200 limits candidates to receiving only contributions from individuals or PACs in the amount of \$500 each per election cycle. To run sizable campaigns, candidates will need to contact more people who are not corporate execs or wealthy individuals—regular people, like us.

Candidates for City of Portland offices can conduct effective campaigns within the \$500 per person contribution limit. And because Portland will have a donation matching program beginning with the upcoming election cycle, even small donations will have a BIG impact.

Also, Measure 26-200 enables small contributors to pool their funds into Small Donor Committees, which are limited to receiving contributions of \$100 or less per year per individual. These committees can then devote those funds to support or oppose candidates. Candidates will be able to obtain significant financial support from grassroots organizations.

"Politics, at the local and national level, is increasingly a sport closed to those without enormous financial resources. This measure would provide a necessary corrective to that trend— while also requiring greater transparency from candidates and funders. Vote Yes."

The Portland Skanner
August 10, 2018

Measure 26-200 Requires Political Ads To Name Their Biggest Funders

For 93 years Oregon had a law that required political ads to list their funding sources; it was repealed in 2001. Measure 26-200 would require candidates to identify their top five funders. These "taglines" would allow voters to judge the credibility of paid political ads. Ten states already require these taglines, including California and Washington.

Taglines on candidate ads foiled a massive attempt by Chevron, Inc. in 2014 to take over the government of Richmond, California. The Richmond City Council pushed for toxic emissions controls and sued Chevron for damages resulting from a major fire in 2012 that sent thousands of Richmond residents to hospitals. Chevron spent over \$3 million (almost \$300 per voter) to take over the city government by running candidates for the council and mayor.

But California law required that the ads identify their major funder. All the Chevron candidates lost overwhelmingly.



You can help!

Contribute!

go to honest-elections.com/donate

Volunteer to help:

email volunteer@honest-elections.com

Vote by November 6th!



Find out more at www.honest-elections.com
or facebook.com/honestelectionsportland

Get your ballot in by **November 6th!** (or postmarked by Nov 2nd)



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

State Limits on Contributions to Candidates
2017-2018 Election Cycle
Updated June 27, 2017

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Alabama Ala. Code § 17-5-1 et seq.	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Alaska § 15.13.070, 15.13.072(e), and 15.13.074(f)	\$500/candidate/year Aggregate amounts candidates may accept from non-residents: \$20,000/year/gub candidate \$5,000/year/senate candidate \$3,000/year/house candidate	\$100,000/year/gub candidate \$15,000/year/senate candidate \$10,000/year/house candidate \$5,000 municipal \$5,000 to judge seeking retention	\$1,000/office/year Contributions from out-of-state PACs prohibited	Prohibited ^d	Prohibited ^d
Arizona^{b, e} A.R.S. § 16-912, 16-914, and 16-916	\$5,100/statewide or leg. Candidate/year ¹ \$6,350/local candidate/year	\$10,100/election/nominee for city, town, county, district office, or legislature \$80,100/election/nominee for state office	“Mega” PACs ² : 10,100//candidate/year Regular PACs: Same as individual limits <i>Amounts are per election^a</i>	Prohibited ^d	Prohibited ^d
Arkansas³ A.C.A. § 7-6-201; 7-6-203	\$2700/candidate/election ^a	\$2,700/election ^a	Same as individual limits	Same as individual limits	Same as individual limits

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¹ Under Arizona’s “Clean Elections Act,” contribution limits to campaigns for elected offices eligible for Arizona’s public financing program are subject to a 20% reduction from the limits under § 16-912. After that time, the amounts are subject to adjustment upward by \$100 in every odd year, which leads to the \$5,100 limit for the statewide or legislative candidates per year.

² In Arizona, a PAC that has received contributions from 500 or more individuals in amounts of \$10 or more in a four-year period may qualify as a “Mega PAC.” Qualification is valid for four years. (Ariz. Rev. Stat. §16-908(C)).

³ It is illegal for a candidate for office to accept contributions from any entity or person more than two years prior to the primary or general election in which the candidate is running. (A.C.A. § 7-6-203(e)).

Exhibit 4, p. 2

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
California^e Gov. Code § 85300 et seq. and Gov. Code § 20200	\$29,200/gubernatorial cand. \$7,300/other statewide cand. \$4,400/legislative candidate <i>Amounts are per election^a</i>	Unlimited	“Small Contributor” Committees ⁴ : \$29,200/gubernatorial cand. \$14,600/statewide candidate \$8,800/legislative candidate Regular PACs: Same as individual limits <i>Amounts are per election^a</i>	Same as individual limits	Same as individual limits
Colorado^e Constitution Art. XXVIII	\$575/statewide candidate \$200/legislative candidate Limits double for a candidate who accepts voluntary spending limits if his/her opponent has not accepted the limits <i>and</i> has raised more than 10% of the limit. <i>Amounts per election^a</i>	\$569,530/gub candidate \$113,905/other SW cand \$20,500/senate candidate \$14,805/house candidate Note: Contribs. by a candidate to his/her own campaign, and unexpended contributions carried forward to a subsequent election cycle, are treated as contribs. from a political party and are subject to the political party limits. Party limits cannot be doubled for candidates who accept voluntary limits. <i>Amounts are per applicable election cycle.</i>	“Small Donor” Committees: ⁵ \$5,675/gub & statewide cand \$2,250/legis. cand. Regular PACs and Federal PACs: Same as individual limits	Prohibited ⁶	Same as corporations

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⁴ In California, a “small contributor committee” is a committee which has been in existence for at least six months, receives contributions from 100 or more persons in amounts of not more than \$200 per person, and makes contributions to five or more candidates. (Cal. Govt. Code §85203).

⁵ In Colorado, a “small donor committee” means any political committee that has accepted contributions only from humans (i.e. not corporations, unions, or other artificial entities) who each contributed no more than \$50 in the aggregate per year. (Colo. Const. art. XVIII, § 2, Cl. 14(a)).

⁶ Corporations are prohibited from donating money from their treasury, but are permitted to establish independent expenditure committees or political committees with the same contribution limits as PACs.

Exhibit 4, p. 3

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Connecticut ^{b7} Ct.Gen.Stat. § 9-611, 9-613, 9-615, and 9-617	\$3,500/gub candidate \$2,000/other statewide cand. \$1,000/senate candidate, probate judge, or CEO of any town, city, or borough \$250/house candidate <i>All amounts are per election^a</i>	\$50,000/gub candidate \$35,000/other statewide cand \$10,000/senate candidate, probate judge, or CEO of any town, city, or borough \$5,000/house candidate <i>All amounts are per election^a</i>	\$5,000/gubernatorial cand. \$3,000/other statewide cand. \$1,500/senate candidate, probate judge, or CEO of any town, city, or borough \$750/house candidate Aggregate limits on contributions to candidates by type of PAC: Union: \$50,000/all candidates Corporation: \$100,000/all candidates <i>All amounts are per election^a</i>	Prohibited ^d	Prohibited ^d
Delaware 15 Del. Code §8001 and 8010	\$1,200/statewide candidate \$600/other candidate <i>All amounts per election cycle</i>	\$75,000/gubernatorial cand. \$25,000/other statewide cand \$5,000/senate candidate \$3,000/house candidate <i>All amounts per election cycle</i>	Same as individual limits	Same as individual limits	Same as individual limits
Florida Fla. Stat. § 106.011 and 106.08	\$3,000/statewide candidate \$1,000/legislative <i>Amounts are per election^a</i>	A candidate for statewide office may not accept contributions from parties which in the aggregate exceed \$250,000. A legislative candidate can accept up to \$50,000 each from the national or state executive committee of a party, or up to \$50,000 from the county executive committee of a party.	Same as individual limits	Same as individual limits	Same as individual limits

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⁷ Legal minors (under 18) cannot contribute more than \$30 to any candidate, party, or committee during an election cycle. (Ct.Gen.Stat. § 9-611(e)).

Source: National Conference of State Legislatures

Last updated in full June 2017

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Exhibit 4, p. 4

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Georgia^e O.C.G.A. § 21-5-41	Statewide Candidate: \$6,600/primary or general election \$3,900/primary or general runoff Legislative Candidate: \$2,600/primary or general election \$1,400/primary or general runoff <i>Amounts are per election^a</i>	Same as individual limits	Same as individual limits	Same as individual limits	Same as individual limits
Hawaii⁸ H.R.S. §2: 11-357 and 2: 11-371	\$6,000/statewide candidate \$4,000/senate candidate \$2,000/house candidate Contributions from a candidate's immediate family are limited to \$50,000 in an election cycle, including loans. <i>All amounts are per election cycle</i>	Same as individual limits	Same as individual limits	Same as individual limits	Same as individual limits
Idaho § 67-6610A	\$5,000/statewide candidate \$1,000/leg candidate <i>Amounts are per election^a</i>	\$10,000/statewide candidate \$2,000/legislative candidate <i>Amounts are per election^a</i>	Same as individual limits	Same as individual limits	Same as individual limits

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⁸ Contributions from non-Hawaiian residents may not make up more than 30% of the total contributions of a candidate for office. (H.R.S. § 2:11-362).

Exhibit 4, p. 5

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Illinois 10 ILCS 5/9-8.5	\$5,600/candidate/election cycle Any candidate who receives benefit or detriment from independent expenditures in excess of the amounts below is exempted from all contribution limits: \$250,000/statewide candidate \$100,000/cand. for any other office Any candidate whose opponent is self-funded is exempted from contribution limits. A self-funded candidate is an individual who contributes \$250,000 to his or her own statewide campaign in an election cycle, or \$100,000 for all other elective offices. Contributions made to a candidate by immediate family members are also considered "self-funding."	Unlimited if candidate is not seeking nomination in a primary election. For candidates running in a primary: \$221,800/statewide candidate \$138,700/senate candidate \$83,200/house candidate <i>Amounts are per election cycle.</i>	\$55,400 per election cycle Same limit applies to a contribution from one candidate committee to another	\$11,100 per election cycle	Same as corporate limits
Indiana Ind. Code § 3-9-2-4	Unlimited	Unlimited	Unlimited for most contributions. For contributions to a PAC specifically designated for a particular candidate, same as corporate limits.	\$5,000 in the aggregate to statewide candidates \$2,000 in the aggregate to senate candidates \$2,000 in the aggregate to house candidates <i>All amounts are per year</i>	Same as corporate limits
Iowa Iowa Code § 68A.503	Unlimited	Unlimited	Unlimited	Prohibited ^d	Unlimited

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Source: National Conference of State Legislatures
 Last updated in full June 2017

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Exhibit 4, p. 6

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Kansas K.S.A. § 25-4153	\$2,000/statewide candidate \$1,000/senate candidate \$500/house candidate <i>Amounts are per election^a</i>	For a contested primary election, same as individual limits. Unlimited in uncontested primaries and general elections	Same as individual limits	Same as individual limits	Same as individual limits
Kentucky K.R.S. § 121.025, 121.035, and 121.150(23)(a)	\$3,000/candidate <i>Amounts are per election^a</i>	Unlimited Aggregate Limits: No candidate can retain party contributions which in the aggregate exceed 50% of total contributions or \$10,000 (whichever is greater) in an election cycle.	Same as individual limits Aggregate Limits: No candidate can retain PAC contributions which in the aggregate exceed 50% of total contributions or \$10,000 (whichever is greater) in an election cycle.	Prohibited ^d	Same as individual limits
Louisiana La.R.S. § 18:1505.2	\$5,000/statewide candidate \$2,500/legislative candidate <i>Amounts are per election^a</i>	Unlimited	Regular PACs: Same as individual limits “Big” PACs ⁹ : Double the amount of individual limits Candidates subject to following aggregate limits on all PAC contributions accepted for the primary and general elections combined: \$80,000/statewide candidate \$60,000/legislative candidate	Same as individual limits	Same as individual limits

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⁹ In Louisiana, a “Big PAC” is a PAC with over 250 members who contributed over \$50 to the PAC during the preceding calendar year and has been certified as meeting that membership requirement.

Source: National Conference of State Legislatures
 Last updated in full June 2017

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Exhibit 4, p. 7

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Maine^{b,e} 21-A M.R.S.A. §1015	\$1,600/gubernatorial candidate \$400/legislative candidate ¹⁰ Individuals limited to \$25,000 aggregate contributions to all campaign finance entities per calendar year. <i>Amounts are per election^a</i>	Same as individual limits	Same as individual limits	Same as individual limits	Same as individual limits
Maryland Md. Code § 13-226 and 13-227	\$6,000/candidate \$24,000 aggregate to all candidates** <i>Amounts are per 4-year election cycle</i>	Transfer limits: Same as individual limits In-Kind Contributions: Limited to an amount equal to \$1 for every two registered voters in the state, regardless of political affiliation, to a single candidate. Limit is per 4-year election cycle.	Same as individual limits	Same as individual limits	Same as individual limits
Massachusetts G.L. Ch. 55, § 6, 6A, 7A and 8	\$1000/candidate \$12,500/individual aggregate limit on contributions to all candidates** Registered lobbyists may only contribute up to \$200/candidate <i>Amounts are per calendar year.</i>	\$3,000/candidate/year No limit on in-kind contributions	Regular PAC or People's Committee: ¹¹ \$500/candidate Candidates cannot accept aggregate contributions from regular PACs that exceed the following amounts (People's Committees are exempt from the aggregate limits): \$150,000/gub candidate \$18,750/senate candidate \$7,500/house candidate <i>Amounts per calendar year.</i>	Prohibited ^d	Same as PAC limits

¹⁰ In Maine, candidates who are enrolled in a political party may contributions of up to \$400 from an individual. Individual contributions to unenrolled candidates are unlimited for primary elections.

** In wake of *McCutcheon v. FEC*, the aggregate individual contribution limits in Maryland and Massachusetts are no longer enforced. 134 S. Ct. 1434 (2014).

¹¹ In Massachusetts, a "People's Committee" is a PAC that has been in existence for six months, has received contributions from individuals of \$156 (adjusted biennially; this amount is for 2013-2014) or less per year, and has contributed to five candidates.

Source: National Conference of State Legislatures
 Last updated in full June 2017

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Exhibit 4, p. 8

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Michigan ^e M.C.L. § 169.246, 169.252 and 169.254	\$6,800/statewide candidate \$2,000/senate candidate \$1,000/house candidate <i>All amounts are per election cycle</i>	\$750,000/gub.-lt.gub. slate with public funding \$136,000/all statewide cand. without public funding \$20,000/senate candidate \$10,000/house candidate <i>All amounts are per election cycle</i>	Political Committees: Same as individual limits. Independent PACs ¹² : \$68,000/statewide candidate \$20,000/senate candidate \$10,000/house candidate <i>All amounts are per election cycle</i>	Prohibited ^d	Prohibited ^d
Minnesota Minn. Stat. § 10A.27 and 211B.15	Election segment limits: ¹³ \$4,000/gub.-lt. gub. slate \$2,500/AG candidate \$2,000/SOS or auditor cand. \$1,000/legislative candidate Non-election segment limits: \$2,000/gub.-lt.gub. slate \$1,500/AG candidate \$1,000/SOS or auditor cand. \$1,000/senate candidate n/a for house candidates Candidates who have signed a public subsidy agreement are also subject to a limit (equal to five times the election segment limits above) on the amount of personal funds they can contribute to their own campaign. <i>Amounts are per 2-year election segment.</i>	Party committees may contribute up to 10 times the limits imposed on individuals Candidates are subject to the following aggregate limits on contributions received in the 2013-14 election cycle from party committees and terminating principal campaign committees: \$40,000/gub-lt. gub. slate \$25,000/AG candidate \$20,000/SOS or auditor cand. \$10,000/legislative candidate	Same as individual limits Aggregate contributions from political committees or political funds, lobbyists, and individuals who contribute or loan more than ½ the yearly contribution limit cannot exceed the following amounts: \$730,200/gub.-lt.gub. slate \$125,200/AG candidate \$83,500/SOS or auditor cand. \$18,900/senate candidate \$12,600/house candidate	Prohibited ^d	Same as individual limits

¹² In Michigan, an “independent committee” must have filed a statement of organization at least 6 months before the election in which the committee wishes to make contributions; must have supported or opposed 3 or more candidates for nomination or election; and must have received contributions from at least 25 persons.

¹³ Minnesota’s SF 991 (2013) divided election cycles into two-year periods, and made limits applicable to a two-year period rather than a single year. The limit is higher for the two-year period during which an election is held for the office, and lower during a non-election two-year period for candidates that serve a four- or six-year term.

Source: National Conference of State Legislatures
 Last updated in full June 2017

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Exhibit 4, p. 9

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Mississippi Miss. Code § 97-13-15	Unlimited	Unlimited	Unlimited	\$1,000/candidate/year	Unlimited
Missouri Mo. Rev. Stat. § 130.031	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Montana^e M.C.A. § 13-35-227 and 13-37-21614	\$1990/gubernatorial slate \$990/other statewide cand. \$530/senate candidate \$330/house candidate Amounts are per election ^a	\$23,850/gubernatorial slate \$8,600/other statewide cand. \$1,400/senate candidate \$850/house candidate All amounts are per election ^a	\$10,610/gubernatorial cand. \$2,650/other statewide office \$800/senate candidate \$400/house candidate Aggregate PAC Limits for Legislative Candidates in 2016: \$2800/senate \$1700/house Amounts are per election ^a	Prohibited ^d	Prohibited ^d
Nebraska N.R.S. Chapter 32, Art. 16 (repealed in 2014)	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Nevada § 294A.100 and Const. Art. 2 §10	\$5,000/candidate/election ^a	Same as individual limits	Same as individual limits	Same as individual limits	Same as individual limits
New Hampshire R.S.A. § 664:4	To candidates not agreeing to abide by spending limits: \$1,000/election ^a To candidates agreeing to abide by spending limits: \$5,000/election ^a	To candidates not agreeing to abide by spending limits: \$1,000/election ^a Unlimited to candidates who agree to expenditure limits	Same as party limits	Same as individual limits ¹⁵	Prohibited ^d

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¹⁴ Montana's § 13-37-216 was found to be unconstitutional by a federal District Court in 2016. The case, *Lair v. Motl*, 189 F.Supp. 3d 1024, is currently on appeal to the federal 9th Circuit Court of Appeals (as of 6/5/2017). That case has resulted in the numbers for Montana differing from the ones listed in the cited statutes.

¹⁵ Corporations are no longer prohibited from making political contributions under New Hampshire law despite the language of NH RSA 664:4. That ban was declared unconstitutional by a federal district court in 1999. A June 6, 2000 letter from Deputy Attorney General Steven M. Houran indicates that the limits on individual contributions now apply to corporate contributions as well.

Source: National Conference of State Legislatures
Last updated in full June 2017

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Exhibit 4, p. 10

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
New Jersey^e N.J.S.A. § 19:44A-11.3	\$3,800/gubernatorial candidate \$3,000/non-gub. candidate <i>Amounts are per election cycle^a</i>	Nat'l Party: \$9,300/election ^a No limit on contributions by state, county, municipal and legislative leadership committees	\$9,300/candidate/election ^a	Same as individual limits	Same as individual limits
New Mexico^e N.M.S.A. § 1-19-34.7	\$5,500/statewide candidate \$2,500/non-statewide candidate <i>Amounts are per election^a</i>	\$5,500/election ^a	Same as party limits	Same as individual limits	Same as individual limits
New York^e Election Law, § 14-114 and 14-116 ¹⁶	Regular Limits, Primary: \$7,000-\$21,100/statewide ¹⁷ \$7,000/senate candidate \$4,400/assembly candidate Family Limits, Primary ¹⁸ : \$9.33-\$136,039/statewide \$20,000-\$40,586/senate \$12,500-\$16,649/assembly Regular Limits, General: \$44,000/statewide cand. \$11,000/senate candidate \$4,400/assembly candidate Family Limits, General: \$275,417/statewide cand. \$29,885-\$58,155/senate cand \$12,500-\$25,219/assembly <i>Amounts are per election cycle.</i>	Prohibited in primary election Unlimited in general election	Same as individual limits	Same as individual limits, with exceptions (see below) Corporations are limited to \$5,000 per year in aggregate contributions to NY state candidates and committees. Candidates may accept corporate contributions of up to \$5,000 annually during each year of an election cycle, so long as the total contributions from the corporation do not exceed the election cycle's regular limits on individual contributions, and the corporation does not exceed its aggregate limit of \$5,000/year to all candidates and committees.	Same as individual limits

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¹⁶ Totals are based on 2016 Election cycle numbers, and are likely to be adjusted upward for 2017-2018 once numbers are released by the state's Board of Elections.

¹⁷ Limit is based on a formula: product of number of enrolled voters in candidate's party in state (excluding voters on inactive status) x \$.005.

¹⁸ Separate limits apply for contributions from all family members in the aggregate. Limit is based on a formula: total # of enrolled voters on active status in candidate's party in the state/district x \$.025. "Family" is defined as a child, parent, grandparent, brother, sister, and the spouses of those persons. Contributions from the candidate and the candidate's spouse are not limited.

Source: National Conference of State Legislatures

Last updated in full June 2017

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Exhibit 4, p. 11

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
North Carolina^e N.C.G.S. § 163-278.13, 163-278.15 and 163-278.19	\$5,200/candidate/election ^a	Unlimited	Same as individual limits	Prohibited ^d	Prohibited ^d
North Dakota § 16.1-08.1-01; 16.1-08.1-03.3; 16.1-08.1-.03.5(1)	Unlimited Foreign contributions banned.	Unlimited	Unlimited	Prohibited ^d	Prohibited ^d
Ohio^e O.R.C. § 3517.102, 3517.104 and 3599.03	\$12,707.79/cand./election ^a	\$716,719.49/statewide cand. \$142,962.66/senate cand. \$71,163.64/house candidate In-kind contributions unlimited <i>All amounts are per election^a</i>	Same as individual limits	Prohibited ^d	Prohibited ^d
Oklahoma 21 OS § 187.1 et seq. and Ethics Commission Rules §257:1-1-1 et seq. and §257:10-1-2 et seq.	\$2,700/candidate/campaign	\$25,000/gubernatorial cand ¹⁹ \$10,000/other state office candidate <i>All amounts per calendar year</i>	\$5,000/candidate/campaign	Prohibited ^d	Prohibited ^d
Oregon O.R.S. § 260.160 to 174	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Pennsylvania 25 Pa.Stat. §3253	Unlimited	Unlimited	Unlimited	Prohibited ^d	Prohibited ^d
Rhode Island R.I.G.L. § 17-25-10.1	\$1,000/candidate/ year Individuals limited to \$10,000 in aggregate contributions to candidates, PACs and party committees per year	\$25,000/candidate/year In-kind contributions unlimited	\$1,000/candidate/ year Annual aggregate limit of \$25,000 to all recipients	Prohibited	Prohibited

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¹⁹ While these limits are specified in Oklahoma’s Ethics Rules, statutes have not been changed to reflect this limit. According to the statutes, any contribution in excess of \$5,000 would constitute a criminal violation.

Exhibit 4, p. 12

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
South Carolina S.C. Code § 8-13-1300(10), 8-13-1314 and 8-13-1316	\$3,500/statewide candidate \$1,000/legislative candidate <i>Amounts are per election^a in each primary, runoff, or special election in which a candidate has opposition and for each general election; if a candidate remains unopposed during an election cycle, one contribution limit shall apply.</i>	\$50,000/statewide candidate \$5,000/other candidate <i>Amounts are per election^a subject to the same exceptions described at left.</i>	Same as individual limits	Same as individual limits	Same as individual limits
South Dakota S.D.C.L. § 12-27-7 and 12-27-8	\$4,000/statewide candidate \$1,000/legislative candidate <i>Amounts are per calendar year</i>	Unlimited	Unlimited	Same as individual limits	Same as individual limits
Tennessee^e Tenn. Code § 2-10-302	\$4,000/statewide candidate \$1,500/legislative candidate <i>Both amounts are per election^a</i>	Candidates limited to aggregate amount from all political party committees: \$393,800/statewide candidate \$63,000/senate candidate \$31,600/house candidate <i>All amounts are per election^a</i>	\$11,800/statewide candidate \$11,800/senate candidate \$7,800/other candidates No more than 50% of a statewide candidate's or \$118,100 of a legislative candidate's total contributions may come from PACs <i>All amounts are per election^a</i>	Same as PAC limits If a corporation gives more than \$250 in the aggregate to candidates, it must register as a PAC and make all further contributions through the PAC. It may transfer unlimited amounts from its corporate treasury to the PAC.	Same as PAC limits A union must register as a PAC before making contributions to candidates.
Texas Election Code, § 253.094	Unlimited	Unlimited	Unlimited	Prohibited ^d	Prohibited ^d
Utah Utah Code § 20A-11-101	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited

Continued on next page

Source: National Conference of State Legislatures
 Last updated in full June 2017
This data is presented for information purposes only and should not be considered legal advice.

Exhibit 4, p. 13

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Vermont ^{b, e} 17 VSA §2941	\$4,080/statewide candidate \$1,530/State Senate \$1,020/State House <i>Amounts are per two-year election cycle.</i>	Unlimited	Same as individual limits	Same as individual limits	Same as individual limits
Virginia Va. Code § 24.2-945	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Washington ^e RCW § 42.17A.250 and 42.17A.440 et seq. WAC § 390-05-400	\$2,000/state exec. candidate \$1,000/legislative candidate <i>Amounts are per election^a</i> During the 21 days before the general election, no contributor may donate more than \$50,000 in the aggregate to a statewide candidate or \$5,000 in the aggregate to any other candidate or a political committee, including political party committees. This includes a candidate's personal contributions to his/her campaign. The state committees of political parties are exempted from this limit.	Aggregate contributions from a state party central committee to a statewide or legislative candidate may not exceed \$1.00 x number of registered voters in legislative district (if legislative candidate) or statewide (if state executive candidate). This limit applies to the entire election cycle. (Jan 1 of year following election-Dec. 31 of year of next election).	Same as individual limits A PAC that has not received contributions of \$10 or more from 10 or more WA registered voters during the past 180 days is prohibited from making contributions.	Prohibited for corporations not doing business in Washington state. Same as individual limits for Washington corporations.	Prohibited for unions that have fewer than 10 members who reside in Washington. Same as individual limits for Washington unions.
West Virginia § 3-8-8 to 12	\$1,000/candidate/election ^a	Same as individual limits	Same as individual limits	Prohibited ^d	Same as individual limits

Continued on next page

Source: National Conference of State Legislatures
Last updated in full June 2017

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Exhibit 4, p. 14

	Individual → Candidate Contributions	State Party → Candidate Contributions	PAC → Candidate Contributions	Corporate → Candidate Contributions	Union → Candidate Contributions
Wisconsin § 11.1101 et seq.	\$20,000/statewide candidate \$2,000/senate candidate \$1,000/assembly candidate <i>Amounts apply for term of office for an incumbent; for non-incumbents, the amounts apply beginning on the date on which the person becomes a candidate and ends on the day before the term of office begins.</i>	Unlimited	\$86,000/gubernatorial cand. \$26,000/lt. gov. candidate \$44,000/atty. Gen. candidate \$18,000/other statewide cand. \$2,000/senate candidate \$1,000/assembly candidate	Prohibited ^d	Prohibited ^d
Wyoming Wyo. Stat. § 22-25-102	\$2,500/statewide candidate \$1,500/other candidate <i>Amounts are per election^a</i>	Unlimited	Unlimited for statewide office \$5,000/non-statewide office <i>Amounts are per election^a</i>	Prohibited ^d	Prohibited ^d

- (a) Primary and general are considered separate elections; stated amount may be contributed in each election.
- (b) Candidates participating in the public financing may not accept contributions after qualifying for public funds. Limits listed are for candidates not participating in public financing program.
- (d) Direct corporate and/or union contributions are prohibited and/or use of treasury funds and/or dues is prohibited. In these states, the law specifically says that nothing prevents the employees or officers of a corporation from making political contributions through a PAC, using funds from an account that is separate and segregated from corporate accounts. Such contributions are subject to the same limitations placed on other PACs.
- (e) Contribution limits are adjusted for inflation at the beginning of each campaign cycle.

Source: National Conference of State Legislatures
 Last updated in full June 2017

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Article 2 — No Title
 New York Daily Times (1851-1857); Jun 25, 1852;
 ProQuest Historical Newspapers The New York Times (1851 - 2007)
 pg. 2

During the political campaign upon which the country has just embarked, special interest will of course be felt by the whole community, in political movements and discussions. The *Daily Times* will endeavor to keep its readers properly informed of whatever may occur of interest in this part of the field of journalism, without at the same time encroaching unduly upon any other. We shall give a reasonable share of our available space to the record of political events and movements in all parts of the country, and to the full and free discussion of political topics. But we shall not surrender the columns of the *Times* to politics, and least of all to partizan discussion, to such an extent as to interfere with its general variety and interest. We shall continue to present all the current news of the day,—with correspondence from all important points, Foreign and Domestic, and Editorial and other articles upon all subjects of general interest and importance. We shall do all in our power, while meeting the general demand for political intelligence, to preserve its *variety*, and thus to render it still more acceptable as a newspaper for miscellaneous and family perusal, than its immense subscription list shows it to have been hitherto.

In the same manner, and from the same considerations, we shall maintain for the *Weekly Times* its present character—presenting regularly not only a careful digest of all the current News of the Day, but also a page of *Literary Reading*, original and selected, designed to make the paper better adapted to the wants of general readers. It will contain all the political matter of the Daily, but not to the exclusion of other matter of general interest.

We shall publish, throughout the canvass, “THE CAMPAIGN TIMES,” to be especially devoted to the discussion of political topics and the advocacy of the Whig cause and candidates. This paper, being designed for a special object, will not be allowed to interfere in any way, or to any extent, with either the Daily or Weekly *Times*,—but will be made up separately, containing, probably every week, various political articles, for which room cannot be found in either of the others.

As will be seen by the Prospectus, it is furnished to Clubs of FIFTY at the exceedingly low rate of TWENTY FIVE CENTS each for the whole campaign. This price, and the peculiar adaptation of the paper to the political purposes for which it is issued, ought to place it in the hands of at least Fifty Thousand persons.

We Need Campaign Finance Reform in Oregon

Big money weakens our democratic institutions, undermines confidence in government, and excludes the vast majority of citizens from seeking public office. Strong campaign finance laws are critical to protect the integrity of local elections — our elections.

Oregon is one of only 5 states with no limits on political contributions. Candidates and public officials have become unduly beholden to the special interests able to contribute big money. Campaign spending in Oregon has skyrocketed by a factor of 10 (1,000%) since 1996.

The State Integrity Investigation of the Center for Public Integrity in November 2015 graded Oregon an overall "F" in systems to avoid government corruption. **Oregon ranked 2nd worst of the 50 states in control of "Political Financing," beating only Mississippi.**

Worst States in Political Finance Regulation (2015)

- 45. North Dakota
- 46. Virginia
- 47. Indiana
- 48. Wyoming
- 49. Oregon
- 50. Mississippi



Conversely, the Koch Brothers-funded so-called "Institute for Free Speech" in March 2018 ranked Oregon #1 in America for having the "best" system of campaign finance regulation -- no limits on contributions at all. **The corporations and billionaires really like Oregon's system of no limits, because they can use their money to buy politicians.**

The 2018 candidates for Governor spent over \$40 million, more than doubling the previous record. One person, Phil Knight, gave \$3.45 million to Knute Buehler, the Republican candidate. Both major campaigns raised 70% of their funds from contributions of \$10,000 or more, only 10% from contributions of under \$500, and only 15% from contributions of under \$1,000. THE OREGONIAN reported that candidates for the Oregon Legislature raise and spend more in their campaigns, per capita, than in any other state, except New Jersey. The average spent in 2014 by the top 10 Oregon Senate candidates rose to \$750,000 each. The average spent in 2016 by the top 10 Oregon House candidates rose to \$825,000 each. Some candidates spent over \$1 million, over \$80 per vote received. The bigger spending candidate won 94% of the time (2014 - 2016).

The Corporate Reform Coalition (75 progressive organizations) in 2012 concluded that only 6 states have worse systems for disclosing independent expenditures. They graded Oregon an "F" in disclosure, while Washington earned an "A." Now, 10 states require that political ads identify their top funders, including California and Washington. For 93 years, Oregon had a law requiring that political ads at least identify their sources, but that law was repealed in 2001 by a Republican-majority Legislature and a Democratic Governor.



honest-elections.com

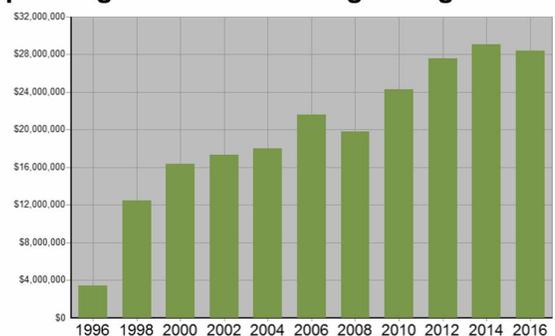
When Chevron, Inc. attempted to take over the government of the California city of Richmond (population 110,000) by running its hand-picked candidates for the mayorship and city council positions in 2014 (and spending over \$3 million to fund their campaigns), all of Chevron's candidates lost--because of the California law that required its ads and brochures and billboards to say: "Major Funder: Chevron, Inc." All their opponents won, despite being outspent by about 50 to one. Voters need this information to judge the credibility of political ads.

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

Public Access to Information	F
Political Financing	F
Executive Accountability	F
Legislative Accountability	D-
Procurement	F
Lobbying Disclosure	F
Ethics Enforcement Agencies	F



Spending on Races for Oregon Legislature



Initiative Petition No. 1 (2020) would amend the Oregon Constitution to ensure that the people can adopt and enforce limits on campaign contributions and require all political ads to identify their largest funders. We need to collect 149,000 valid signatures by July 3, 2020, to get this on the Oregon statewide ballot. To get involved, contact us at info@honest-elections.com or 503-427-8771.

Measure 26-200 (2018): Campaign Finance Reform for Portland

Measure 26-200 will limit campaign contributions and independent spending on contests for City of Portland public offices, including Mayor, City Council, and Auditor. It will also require that political ads prominently disclose their actual major funders (not just nice-sounding names of committees or nonprofit corporations).

Voters in 2016 approved a similar measure for Multnomah County with an 89% "yes" vote. We will do the same in Portland in November 2018.



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Limits on Campaign Contributions & Expenditures (per Election Cycle)

- Limits candidate to receiving contributions of \$500 or less from any individual or political committee and zero from corporations and other entities
- Allows Small Donor Committees (SDCs), which accept contributions only from individuals in amounts of \$100 or less per person per year, to contribute or spend those funds in candidate races
- Limits individual independent expenditures in any race to \$5,000 per year
- Limits political committee independent expenditures per race to \$10,000 per year; must be funded by contributions from individuals of \$500 or less per year

Disclosure Requirements

Political ads must identify the 5 largest contributors (of over \$1,000 each) to the candidate's campaign or to any independent expenditure campaign to support or oppose a candidate.



Oregon is one of **11 states** that allow people to give as much as they want to political candidates.



Swipe or tap



Skip intro

“Oregon is the key state in the domino structure of North America. If we fall, pollution marches on.”

— OREGON GOV. TOM MCCALL, SPEAKING ON THE FIRST EARTH DAY, 1970



Part One of Four

Feb. 22, 2019

Story by **ROB DAVIS**

Photography by **BETH NAKAMURA**

Video by **TERESA MAHONEY**

Data analysis by **STEVE SUO**

The Oregonian/OregonLive

Oregon once aimed to be the greenest state in America.

Its leaders adopted the nation’s first bottle deposit. They controlled urban sprawl. They declared ocean beaches public property.

But in the last four years, Oregon’s most powerful industries have killed, weakened or stalled efforts to deal with climate change, wolf recovery, disappearing bird habitat, cancer-causing diesel exhaust, dwindling groundwater, industrial air pollution, oil spill planning and weed killers sprayed from helicopters.

What changed Oregon?

Money. Lots and lots of money.

The Oregonian/OregonLive spent 18 months examining how and why Oregon has fallen behind on so many important environmental fronts. The newsroom’s investigation found a startling answer, one that may surprise many Oregonians.

Oregon's failure to regulate campaign cash has made it one of the biggest money states in American politics. The flood of money created an easy regulatory climate where industry gets what it wants, again and again.

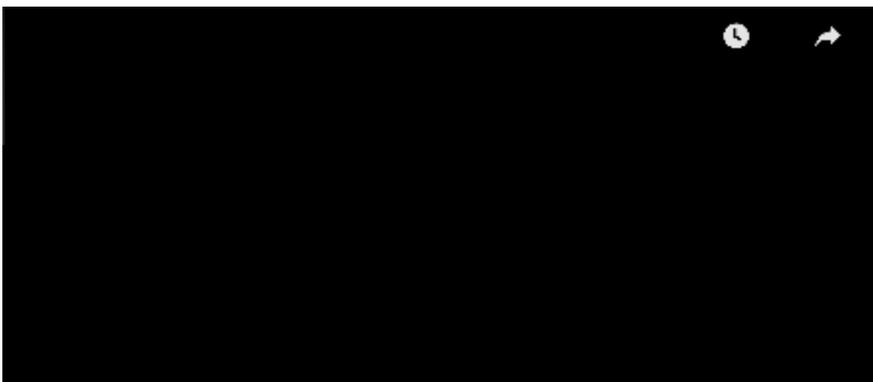
"The state is a laughingstock," says Dave Einolf, a Portland environmental compliance consultant who works with large, multinational corporations. "It has no enforcement. My clients don't care about Oregon. They're not afraid of Oregon. It's just a shame."

No one has given more money to state lawmakers in Oregon than Corporate America. Companies and industry groups contributed \$43 million to winning candidates in elections from 2008 to 2016, nearly half the money legislators raised. Organized labor, single-issue groups and individual donors didn't come close.

Campaign money helped Oregon politicians do more than win election. It paid for luxury hotel rooms in Canadian chateaus, weekly visits to the local sports bar and a variety of wearable Apple accessories. It bought roses for senators' desks, candy for Capitol offices and framed art to hang on the walls.

It paid for Salem lodging and meals that taxpayers already cover for legislative sessions, boosting lawmakers' income.

It even bought one departing lawmaker a year of Amazon Prime.



The Oregonian/OregonLive interviewed 200 lawmakers, residents, regulators, lobbyists and donors while comparing environmental laws and enforcement among West Coast states. The newsroom gathered responses from nearly 500 Oregonians about how they perceive pollution and the institutions responsible for protecting their air and water. Reporters obtained tens of thousands of pages of records from legislators and regulatory agencies.

The newsroom also conducted a groundbreaking national comparison of \$4 billion in state campaign finances, drawing on a massive database compiled by the National Institute on Money in Politics and a decade of spending reports candidates filed with Oregon's Secretary of State.

Among the findings:

- Oregon has betrayed its environmental legacy. It almost sold an 82,500-acre state forest full of old growth trees to a logging outfit that donated \$37,000 to key decision makers including Gov. Kate Brown. Oregon trails almost the entire country in oversight of water polluters. On a long list of environmental protections, Oregon is dead last among West Coast states.
- Lawmakers repeatedly bullied Oregon environmental agencies into submission when corporate campaign donors felt threatened. One lobbyist crushed a clean air initiative with a single phone call. Agencies that resist pay a price.
- Legislators have acknowledged the outsized influence of money on the laws they write. In a 2002 survey sent to every legislator nationwide, Oregon House and Senate members ranked among the highest in the country for

their perception of how strongly money dictated policy, behind notoriously corrupt states like Alabama and Louisiana.

- The law lets Oregon legislators spend campaign money in ways that are prohibited elsewhere. The newsroom found an estimated \$2.2 million in purchases and reimbursements that would be illegal in other states.
- The state’s campaign watchdog is timid. The Oregon State Elections Division does not use its subpoena power to investigate questionable spending. It just sends letters. More than once, the division dropped an investigation because no one wrote back.
- The Legislature’s failures are driving people to move, across town and out of state. The Oregonian/OregonLive interviewed two dozen residents who said they packed up their belongings because of pollution. Another 160 told the newsroom they considered moving or would if they could afford it.

“The system is broken,” said Phil Keisling, a former secretary of state who fought a losing battle to curb campaign contributions in the 1990s. “The need for campaign finance reform in Oregon has never been greater. We’ve lost 20 years we can’t get back.”

An influential corporation might give as little as a few thousand dollars per lawmaker. But taken together, legislators receive millions from industries with a shared interest in weak environmental regulation.

SEARCH THE DATA: See how much money each current legislator has raised and where they got it from. [↗](#)

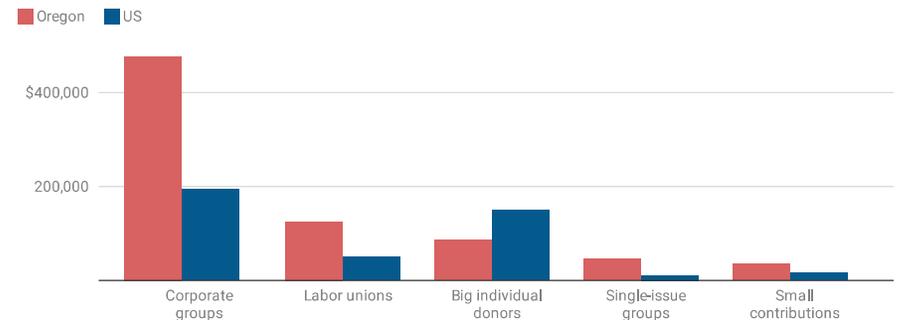
Lawmakers from both parties said money had no impact on their votes, citing examples where they went against donors. Four legislators said Oregon’s

campaign finance system works by showing voters who’s giving money and letting them judge whether it matters.

“It’s ridiculous, the amount of money, but it’s people’s right to do it,” said former Rep. Gene Whisnant, R-Sunriver, who raised 79 percent of his cash from corporations and industry groups. “I don’t know how you stop it.”

Sources of money

The amount given per lawmaker in elections from 2008 through 2016.



[Get the data](#)

Legislators have made some environmental progress, setting ambitious goals for green energy use and for phasing out coal. Last year, they caught up with a dozen other states that control toxic air pollution from factories. A bill to ratchet down greenhouse gas emissions may pass in 2019.

But electric utilities wrote the green energy bill. They included a major loophole that could leave coal in the mix for years longer than advertised. The final version of the toxic air legislation increased acceptable cancer risks, thanks to industry-crafted amendments.

“What it becomes to us, the lowly citizen, is that this is a cahoots kind of thing,” said Roger Pettit, who unwittingly bought a home downwind of a Superfund site in The Dalles. The 46-year-old sold it and moved last year after residents failed to get the state to eliminate the factory’s polluting stench.

Today, the air from Eugene to Portland is getting smoggier. The tree canopy is shrinking in urban areas statewide. The amount of old growth in Oregon's coastal forests is dwindling. Bass, carp and other resident fish are unfit for human consumption in a widening stretch of the Willamette River.

DATA POINT: Three-quarters of the money in winning Connecticut legislative campaigns came from taxpayer subsidies. In Oregon, corporate interests contributed half of what lawmakers raised. #PollutedByMoney 

Christine Psyk, a retired U.S. Environmental Protection Agency official who oversaw the Pacific Northwest, said Oregon regulators and lawmakers exhibited a clear pattern with polluting businesses.

“Oregon has been extremely deferential to industry and bends over backwards if they have any complaints,” Psyk said.

“For a state that likes to present itself as this great environmental state,” she said, “you’re not doing that great.”

Connecticut largely replaced corporate money with public funding a decade ago. Democratic state Sen. Matt Lesser said it immediately allowed lawmakers to pass legislation that industry had stalled for years, because “the Legislature no longer cared about the particular interests of one random, generous group of political contributors.”

In Oregon, lawmakers don’t feel so liberated.

Betty Komp, a retired Democratic representative, recalled one lobbying group, Doctors for Healthy Communities, summoning lawmakers into a room and announcing the group’s agenda for the next session.

“They would say, ‘We would really like your support,’ and then hand you a check,” Komp said. “That’s pretty blatant.”

Portland attorney Dan Meek said he became an advocate for campaign finance restrictions after winning a case proving illegal billing by Portland General Electric, owned at the time by Enron, the corrupt Texas energy giant. PGE and Enron went to the Legislature, which passed a law to invalidate Meek’s ratepayer victory.

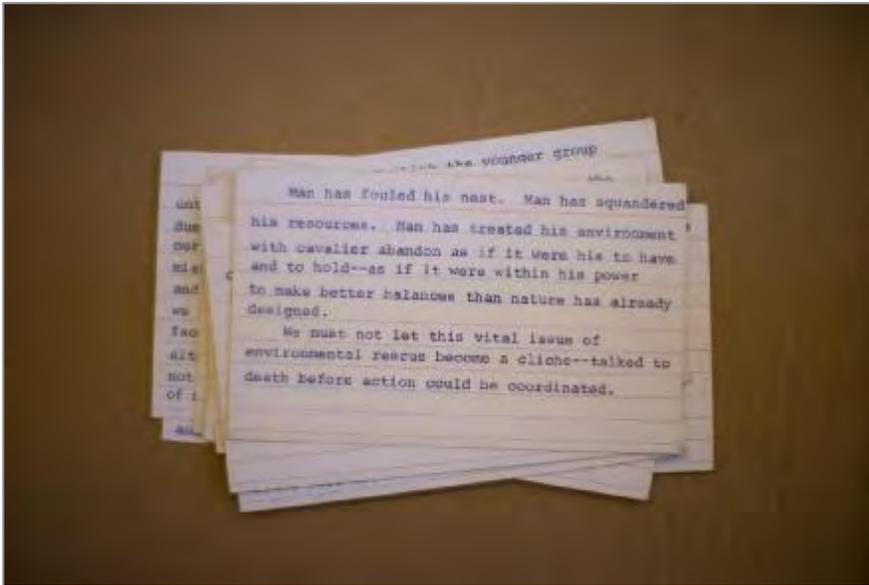
“If government is under the control of Enron, PGE and the like, there’s nothing you can do about it without changing the campaign finance system,” Meek said.

“Without it,” he said, “virtually nothing else matters.”



A century ago, Oregon became a pioneer in campaign finance reform. It limited campaign contributions and enacted the nation’s first public campaign subsidy, allowing candidates to publish statements for free in a pamphlet distributed to voters.

Nearly 50 years ago, legendary Gov. Tom McCall’s environmental agenda landed Oregon on the cover of National Geographic. He began cleaning up the polluted Willamette River before the Clean Water Act existed. He created a state environmental agency before Congress started the EPA.



Index cards Gov. Tom McCall used in his 1970 Earth Day speech.

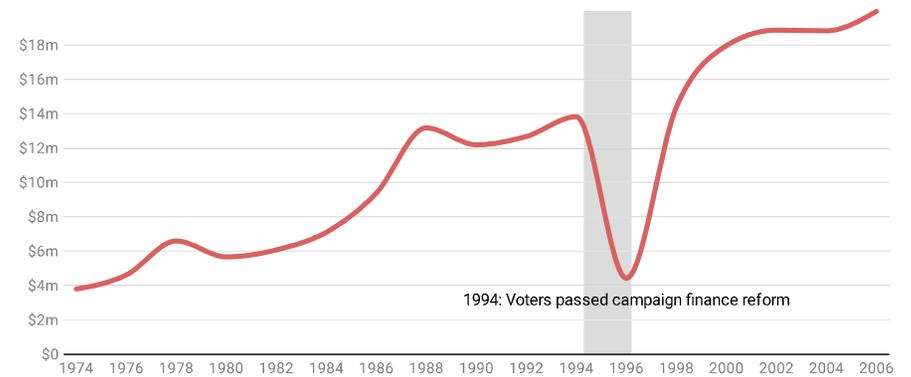
McCall, a Republican, overcame the same corporate lobbying groups that rack up wins today.

“Oregon has wanted industry only when that industry was willing to want what Oregon is,” McCall once said. The state lived by an 11th commandment, he said: “Thou shall not pollute.”

Polls have shown the sentiment remains. Protecting Oregon’s environment should take priority even at the risk of slowing economic growth, a majority of respondents told DHM Research, a nonpartisan firm, in 2013.

But it was McCall who signed a new campaign law that allowed his industry adversaries to gain clout.

Oregon campaign costs, 1974-2006



In 2006 dollars
[Get the data](#)

In 1973, with Watergate-inspired political reforms underway nationwide, Oregon lawmakers voted to limit how much candidates could spend in an election, instead of how much they could raise.

Two years later, the Oregon Supreme Court said the spending limits violated Oregon’s constitutional free speech protections. That left the state with no controls.

Voters tried to bring back contribution limits in 1994, and the court struck down that law change for the same reason.

Even if campaign contributions create temptations for politicians, Supreme Court Justice W. Michael “Mick” Gillette wrote in his opinion, most “will put aside personal advantage and vote honestly and in the public interest.”

Keisling, the former secretary of state, was one of the leading figures backing the 1994 reform effort. He still seethes when he recalls Gillette’s words about the role of money.

“If you’re in the system, you know it has an effect,” Keisling said. “The most common effect isn’t what you do. It’s the bills you never submit, much less never

fight for. It creates a culture of timidity.”

After so many losses in the state Supreme Court, reformers went back to the ballot in 2006, hoping to change the state constitution to allow contribution limits. Liberal groups including the American Civil Liberties Union of Oregon, Planned Parenthood and the state’s powerful teachers union urged defeat, saying the measure would limit their voice. Down it went, by a 20-point margin.

Oregon candidates spent ever-increasing amounts to stay ahead of opponents. By 2016, the cost of a winning Oregon House race hit \$243,555, the price of two in Washington, six in Minnesota or 244 in New Hampshire.

All that money bought results.



Phil Keisling, former Oregon Secretary of State.

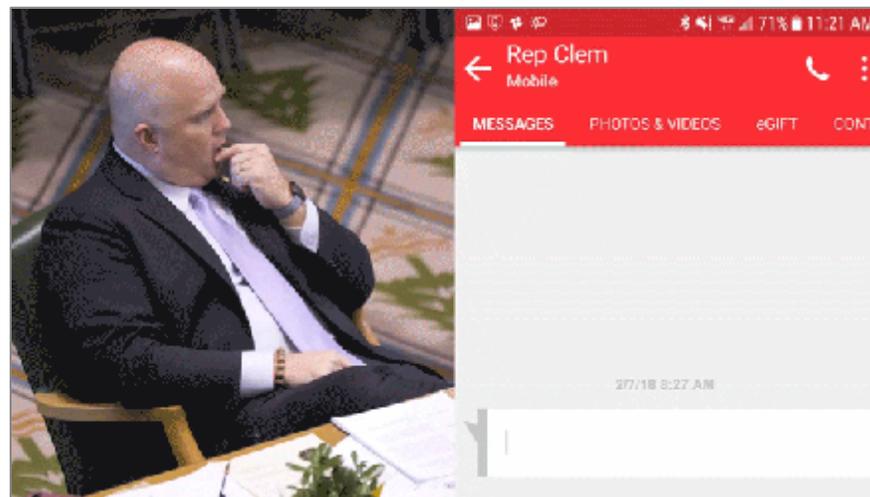


Scientists link timber harvests in Oregon’s coastal forests to the decline of the marbled murrelet. (Photos: Jamie Francis, left, Gwen Baluss, right)

The blowback was intense last year when Oregon wildlife commissioners approved new endangered species protections for the marbled murrelet, a rare seabird that nests in coastal old growth forest. Changes meant new restrictions on logging in state forests, and the timber industry didn’t want them.

Two days before the commission voted, a text message popped up on Curt Melcher’s phone: “Can you give me a call?”

Melcher, director of the Department of Fish and Wildlife, phoned immediately. The text came from Rep. Brian Clem, D-Salem, who’s taken \$34,000 from timber interests since 2008. A six-minute conversation followed. Melcher recalled Clem making clear he didn’t want to see more protection for the murrelet.



Democratic Rep. Brian Clem

“He’s definitely always had an interest in timber-related issues,” Melcher later said. “It’s not entirely a surprise when he calls.”

After commissioners decided to protect the bird, the timber industry’s allies in the Legislature went on the attack.

Clem hauled wildlife officials in for a hearing. If Oregon’s endangered species act hinders logging, he intimated, maybe the law needs to be changed.

Rep. Brad Witt, D-Clatskanie, suggested the state shouldn’t bother protecting the bird since “it appears no matter what we do, this species is on its way to extinction.” He’s taken \$50,000 in timber money since 2006.

No one on the committee spoke in favor of listing the species as endangered. Seven of its nine members received timber money in their careers, a total haul of \$210,000.

Wildlife commissioners reversed their decision in less than four months, keeping Oregon the only West Coast state not to designate the murrelet as endangered.



Clear cutting near the Siletz River in the Oregon Coast Range, Sept. 8, 2018.

Clem told The Oregonian/OregonLive that timber money is not what made him an advocate for the industry. He said he saw what restrictions on logging in federal forests did to the economy of his hometown, Coos Bay, in the 1990s. “I

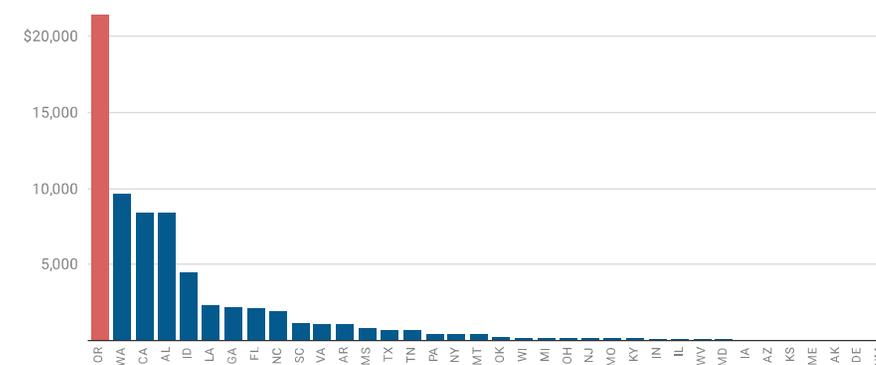
said my piece at the hearing,” Clem said. “I was a little shocked they changed their vote.”

In a decade, only 33 state lawmakers in the country raised as much from the timber industry as Clem. Nineteen of them were from Oregon. Per capita, per lawmaker and in sheer dollars, timber interests gave more to winning candidates in Oregon than anywhere in the nation.

“We support legislators interested in a balanced, science-over-politics, holistic approach to sound environmental protections,” said a spokeswoman for the Oregon Forest & Industries Council, a major lobbying group.

Timber contributions

Contributions per state legislator in elections 2008 through 2017



[Get the data](#)

The consequences of Oregon’s logging practices are clear. State and federal scientists have blamed major population declines in species including the coastal Coho salmon, northern spotted owl and marbled murrelet on timber harvesting and state policies governing it.

The Oregon Department of Forestry found 242 plants and animals listed or at risk of listing under the Endangered Species Act as of 2012. The trend was getting worse. Then the state agency, whose mission includes promoting the timber

industry, stopped publishing the numbers and deleted past reports from its website.

Oregon’s failures on the environment extend well beyond the demise of forest creatures.

Among West Coast states, Oregon alone requires no comprehensive review of environmental risks before approving major construction projects. Washington rejected a proposed terminal to unload oil trains on Vancouver’s waterfront as too dangerous after four years of analysis and public input. Oregon took 22 days to approve a similar operation and didn’t tell the public.

Oregon has also repeatedly killed legislation requiring railroads pay for oil spill planning, as Washington and California do.

That seemed likely to change after a Union Pacific oil train derailed and erupted into flames in the Columbia Gorge in 2016, sending oil into the Columbia River during peak spring chinook migration. Dozens of people in the small town of Mosier had to flee their homes.

West Coast states compared

Data point	Washington	California	Oregon
Campaign donation limits?	Yes	Yes	No
Corporate \$ per capita	\$5.26	\$4.55	\$10.90
Biggest campaign fines? **	\$18 million	\$1 million	\$116,000
% of electricity from coal*	13%	4%	28%
Carbon-free energy by?***	2045	2045	No target
Volume of diesel pollution considered safe, in nanograms/cubic meter	3.3	3.3	100
Major water polluters with expired permits, 2017	52%	15%	84%
Air polluters facing enforcement actions, 2016	129	425	12
Penalties against air polluters, 2016	\$704,400	\$8.2 million	\$27,600
% of air polluters inspected, 2016	61%	56%	45%
Wolves on state endangered species list?	Yes	Yes	No
Environmental impact analysis required for governmental decisions?	Yes	Yes	No
Marbled murrelet listed as	Yes	Yes	No

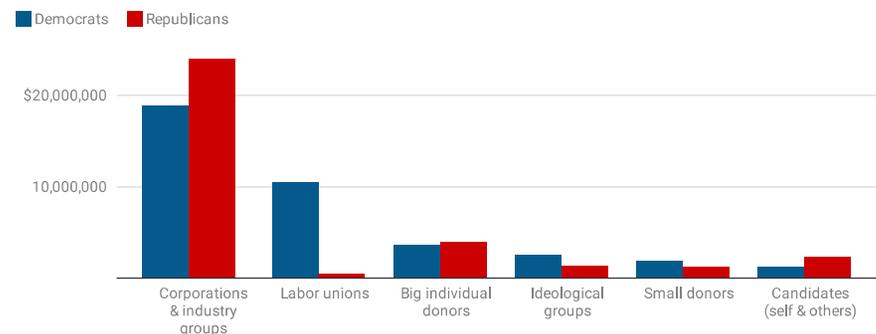
A few months after the tanker cars overturned, Union Pacific wrote a check for \$5,000 to then-Rep. Mark Johnson, R-Hood River. When oil spill legislation came up in 2017, Johnson introduced an amendment Union Pacific wanted: To keep any spill plan secret.

Johnson said he wasn’t motivated by Union Pacific’s donation.

“It just happens that people appreciate effective legislators,” he said in an interview. “I introduced legislation for a variety of people who happened to support me, but I don’t do it because of that.”

Money sources by party

Total contributions to winners in Oregon legislative races from 2008 through 2016.



[Get the data](#)

When asked whether Union Pacific’s \$5,000 donation was specifically to secure Johnson’s support, a company spokesman said the railroad has a long history of supporting candidates from both political parties and “works with elected officials who understand the economic necessity of Oregon’s transportation infrastructure.”

The 2017 legislation died. An oil spill safety bill is up for debate this year for the fifth time.



Like industry, environmental activists take advantage of Oregon’s wide-open campaign finance laws. But activists can’t match the financial firepower of corporations.

The Oregon League of Conservation Voters has contributed \$623,000 to winning legislative campaigns over a decade. That is the most of any green group nationwide, The Oregonian/OregonLive’s analysis found.

It amounts to 1 percent of what industry gave.

“It’s like trying to play Monopoly when the other guy owns all the properties,” said Doug Moore, the league’s executive director. “It’s not just that we’re up against one industry. We’re fighting Corporate America head on, and they can invest as much in this state as they want.”

The disparity matters.

Sen. Elizabeth Steiner Hayward, a Northwest Portland Democrat, gets a lifetime “A” grade from the conservation group for her voting record. The family medicine doctor at Oregon Health & Science University says on her campaign website she is “committed to making Oregon the healthiest state in the nation.” The conservation league has donated \$1,250 to her campaigns.



Sen. Elizabeth Steiner Hayward, a physician, represents areas heavily affected by diesel pollution.

The Oregon chapter of the Associated General Contractors, a powerful national group financed by construction companies, has given Steiner Hayward far more:

Industry contributions

Per lawmaker, Oregon is one of the highest-ranking states for contributions from a wide array of industries.

Industry	Per lawmaker	Oregon rank
Finance, Insurance & Real Estate	\$68,572	9
Energy production & distribution	\$34,695	6
Construction	\$28,748	7
Communications & Electronics	\$24,465	6
Nursing homes	\$22,133	2
Timber	\$21,416	1
Beer, wine & liquor	\$18,689	5
Restaurants & lodging	\$18,424	2
Drug-makers	\$17,120	3
Business associations	\$15,277	4
Soft drinks	\$13,112	1
Farming	\$12,778	6
Grocers	\$12,530	1
Tobacco	\$9,189	4
Hospitals	\$8,653	9
Food processors	\$3,600	3

\$11,500. The association, which poured more than \$1 million into winning state legislative races in the past decade, was one of the biggest donors to her uncontested re-election campaign last year.

“We’ve worked with her on a variety of issues, and my members like the fact that she does her homework and studies the impact of legislation,” said John Rakowitz, a lobbyist for the contractors.

In 2017, the Legislature considered a bill to clean up dirty diesel engines, a major source of cancer-causing pollution in Oregon’s air. It would have forced construction contractors to slowly modernize their fleets.

The contractors were opposed. So was Steiner Hayward. She was one of three Democrats against it, and the only one from Portland, which has the state’s worst diesel soot.

In an interview, Steiner Hayward said she supports getting rid of polluting diesel engines “while not having an adverse impact on industries that don’t need that adverse impact.”

She called it “ludicrous and insulting” to think construction money prompted her opposition to the diesel bill.

“It’s just categorically not true,” she said.

Steiner Hayward said despite Oregon's lack of contribution limits, the state "has some of the most progressive environmental laws in the nation." Asked for an example, Steiner Hayward said she couldn't immediately think of one.

Mary Peveto, president of Neighbors for Clean Air, a Portland nonprofit, said Steiner Hayward once sat in her living room to hear her concerns about air pollution. But Peveto, who lives in Steiner Hayward's district, said her senator wouldn't meet when the diesel cleanup bill faltered.

"I have been ridiculously busy," the senator told Peveto in a Facebook message. Steiner Hayward said she'd talk to her staff so they could find time.

After the initiative died, the construction association sent a newsletter to its members bragging about its successes in Salem, despite Democratic control of both chambers. Thanks to its lobbyist's connections, the group claimed it could get meetings with key lawmakers "in mere minutes."

Peveto didn't hear back from Steiner Hayward.



Betty Komp's 12 years as an Oregon state representative left her with no doubt that corporate money buys power in Salem.



Former Democratic Rep. Betty Komp

The Democrat, a former school administrator who represented Woodburn, said corporate lobbyists from Pac/West Communications would visit her before an upcoming legislative session. "We're going to come to you a time or two, and we'd like your support," she recalled them telling her.

What mattered to them, she said, was "what they thought I should be saying in our leadership meetings about whether a bill should be moving forward."

"It wasn't just about voting on a bill," she said, "but the bill's pathway."

The minute a legislative session ended and House rules permitted fundraising to resume, Democratic legislative leaders made sure she was on the money trail.

DATA POINT: Industry gave Oregon lawmakers \$43 million in a decade of fundraising, dwarfing donations from ideological groups (\$4 million), individuals (\$8 million), organized labor (\$11 million) or political parties (\$12 million).
#PollutedByMoney

"The pressure to start fundraising when the gavel drops on the last day is ridiculous," Komp said. "It's: 'When are you going to hold your first fundraiser, Betty?' There's someone talking to you about it all the time."

While campaigning, Komp said she spent 90 minutes on the phone each night delivering her fundraising pitch to potential donors. She tracked her prospects with notes in a three-ring binder: Who she talked to. What they'd given. When she should try again.

LEARN: Read about where we got the data for this series and how we analyzed it.

Komp said she always felt uncomfortable dialing for dollars. But she didn't mind asking lobbyists, "because I know the lobby has money to donate, and it's their job to discern where it goes."

When traveling to national conferences, Komp recalled how surprised lawmakers from other states looked when she told them how much it cost to win a campaign in Oregon.

OREGONLIVE
The Oregonian

Polluted by Money

Leaving a Stench

How a system fueled by **corporate cash** lets foul air persist in The Dalles

00:17

Read story

“Oregon is an inspiration to people elsewhere who believe they have no voice in government.”

— OREGON GOV. TOM MCCALL, SPEECH TO THE LEGISLATURE, 1973

Part Two of Four

March 1, 2019

Story by **ROB DAVIS**

Photography by **BETH NAKAMURA**

The Oregonian/OregonLive

THE DALLES — To experience Oregon’s deference to powerful polluting industries, visit this Columbia River town 90 minutes east of Portland.

Then breathe deep.

The sickening smell of mothballs can burn the inside of your nose, even on what people here consider a good day.

Residents say when the worst fumes hit, the smell is so overpowering they can’t sit on their decks, let their kids play outside, mow their lawns, garden, sleep with the windows open or welcome out-of-town friends.

“There are times it’s nauseating – you just can’t stand it,” said Roger Pettit, 46, who lived a half-mile downwind until he moved last spring. “I gotta tell you, if I was diagnosed with cancer, I would immediately think it was because I lived here.”

In 2016, a few town residents decided they’d had enough. The ensuing battle to stop the stench shows what a political system fueled by corporate cash means for ordinary Oregonians.

No one donates more to Oregon lawmakers than business groups, an investigation by The Oregonian/OregonLive found. They give more per resident

than anywhere else in the country. The money explains why Oregon has fallen behind on a long list of environmental protections.

Environmental regulators are under the steady watch of lawmakers who take hundreds of thousands of dollars from Corporate America. Industry gets a direct line to decision makers, while people who complain about pollution get shut out.

For nearly a century, The Dalles has been a dumping ground for one of Oregon's most environmentally destructive businesses — a railroad tie plant that contaminated the Columbia River, created a Superfund site and put the city's drinking water at risk.

But residents say what makes life miserable is the noxious air pollution created by the current owner, AmeriTies, and its use of creosote.

Creosote is a thick, black liquid derived from coal. It is used as a preservative to help wooden railroad ties withstand insects and weather. One of its primary constituents is naphthalene, which the U.S. Environmental Protection Agency classifies as a possible human carcinogen. It gives mothballs their distinct smell.



The noxious pollutant drove at least 20 adults and children to move out of their homes, The Oregonian/OregonLive found.

Retired pharmaceutical company manager Norman Bennett blames the pollution for his 2008 lung cancer diagnosis. He started complaining in 2002 about the mothball smell that crept up Dry Hollow Road and sneaked in his doors and windows. Finally, he gave up. Bennett took an estimated \$30,000 loss selling his home in 2011 to escape upwind. The non-smoker, now 92, said he knew he could not wait for state authorities.

“I got so tired of it,” Bennett said. “I knew they would never do anything about it.”

Oregon's Department of Environmental Quality has allowed the stench to persist through decades of complaints, even after policymakers empowered the agency to declare persistent odors a public nuisance and penalize companies that continue creating them.

Jeff Thompson, the plant's manager, said in a statement that his company “has worked diligently with the Oregon Department of Environmental Quality to address odor concerns.”

“We remain committed to being both a good employer and neighbor,” he wrote.

AmeriTies has powerful friends on its side. Union Pacific Railroad is the company's main customer. It owns the property where the AmeriTies plant is located and is financially responsible for the Superfund cleanup there. Over a decade, the railroad gave \$144,000 to Oregon lawmakers, including then-Rep. John Huffman, a Republican representing The Dalles.



Rep. John Huffman, R-The Dalles, at left, speaking with Rep. Chris Gorsek, D-Troutdale, in 2014. (Photo: Michael Lloyd/staff)

In the 2016 fight over AmeriTies, records show, Huffman pushed the state to protect the company and its 50 jobs. Agency officials listened.

They asked the company for voluntary steps to reduce odors. They could have included the public in negotiations about a solution. They didn't. After a deal was signed, Huffman said letting the public comment on it would amount to little more than a "bitch session."

The agency's own attorney later said the state's failure to involve residents in the process could be the basis for a lawsuit.

Six days after the deal was signed, the railroad handed Huffman a \$1,000 campaign donation.

Town residents who had never donated to a political campaign were left to beg for help.



The first complaint arrived typewritten on delicate onion skin paper one summer day in 1970.

The Department of Environmental Quality was barely a year old, created as part of the environmental awakening led by Republican Gov. Tom McCall. Oregon was leading the country. The U.S. EPA wouldn't exist for another five months.

A woman who identified herself as Mrs. Albert E. Medaris complained that tie plant workers were burning treated wood scraps. At the time, state cleanup documents show, the facility used chemicals now known to contain highly toxic dioxins.

The smell was bad, she wrote, but the plumes of smoke were unbearable.

"Yesterday, when I was hanging up our laundry, I was enveloped in clouds of dense, black smoke," Mrs. Medaris wrote. "I could hardly believe my eyes. Now we know where the soot comes from on our porch railings and window sills."



The Department of Environmental Quality took its first complaint about the rail tie plant in 1970.

Residents have complained more than 1,350 times in the decades since.

1982: "Black soot over entire neighborhood."

1995: “Fumes burned the inside of our noses” and caused bloody sores.

2010: Fumes sucked into The Dalles Middle School’s ventilation system; firefighters called.

2014: “Incredible” stench. “Absolutely sickening.”

At least one state environmental worker was appalled. In 2013, a Department of Environmental Quality employee filed a formal complaint with his own agency after driving by the AmeriTies plant.

“I rolled down the window and my eyes began to water,” wrote Larry Brown, an environmental health specialist. “I feel sorry for those having to live 24/7 in the area. This type of nuisance condition should not have to be tolerated.”

But environmental degradation has long been tolerated in The Dalles, a town of 15,000.

Finishing The Dalles Dam in 1957 submerged ancient Celilo Falls, where tribes harvested salmon and traded with one another for millennia. After the rail tie plant opened in 1922, workers stored chemical preservatives in unlined pits, so thoroughly soaking the soil that the cleanup is still underway after nearly three decades.



The AmeriTies plant, summer 2018.

Frank Messina, a Department of Environmental Quality permit writer who has overseen the plant since the early 1990s, created a form letter to answer complaints. The letter was slapped together so casually it is missing punctuation in places.

“Documenting of complaints is a very important factor for DEQ,” it says. “So please document your complaints. Please share this with other people in your community. Thank you”

One after another, residents have tried to get regulators and the plant to act. The plant’s operators often visited people who complained. When they smelled the air, they repeatedly told regulators, they couldn’t smell anything unusual.

2001: “Only the cat box and the flowers in the backyard.”

2010: “Only the surrounding trees, bushes and flowers.”

2011: “Only the odors of wood stoves.”

The cycle so often ended with residents getting fed up and moving.

In 2015, it was Rachel Najjar's turn.



Najjar and her husband were oblivious to the rail tie plant's legacy when they moved to The Dalles from Beaverton for work in 2015, buying a three-bedroom tan rancher in a neighborhood perched above a wide blue bend in the Columbia River.

Najjar, then seven months pregnant with her third child, said her two young girls grew violently ill on days they visited the city's riverfront park. She said they cried about stomach pain, vomited, drank glasses of water and laid down for long naps.



Rachel Najjar, at home in Hood River. The family left The Dalles in 2016.

"I know my kids," Najjar said. "That is not them. And it kept happening."

The park sits north of the rail tie plant. Decades earlier, Superfund cleanup workers in full-body coveralls excavated tons of contaminated soil from the area. Viscous black liquid lurked in the grassy barrens back in the 1950s, said Mike Kennedy, who went to work at the rail tie plant after high school. Kids called it the Black Lagoon.

"You step on what you think is going to be grass and you'd sink up to your knee," Kennedy said. "You know you're going to be in trouble 'cause that's not going to come out of your clothes. And it smelled awful."

Najjar started noticing horrible odors in her neighborhood. She assembled a slideshow of every itchy rash, every oozing sore on her arms, her eyes, her children's legs, backs and arms.



Workers in 1992 removed tons of soil contaminated by the rail tie plant at what is now the city's Riverfront Park.

Toxicologists say it is impossible to determine whether illnesses residents reported over the years were caused by exposure to the plant's pollution. However, scientists have connected direct contact with creosote to cancers and skin and respiratory irritations. Breathing naphthalene, which escapes into the air when wood is treated with creosote, has been linked to lung irritation and respiratory cancers based on studies of lab animals.

Susanna Wegner, a toxicologist for the Oregon Health Authority, said the smell in The Dalles is powerful enough to cause headaches, nausea, dizziness and other physical symptoms.

"We know that there are strong odors there, and some of the health effects people are experiencing may be caused by the odors," Wegner said.

Najjar asked other parents: Do your kids have health problems like mine? She found Kris Cronkright, who had moved to The Dalles so her husband could be closer to his job at Google's data center. Cronkright was also concerned about what AmeriTies' pollution might be doing to her young son.

In early 2016, the Department of Environmental Quality's director stepped down amid an outcry over toxic air pollution in Portland. Najjar and Cronkright saw an opening. They stirred up media attention. That April, the two women faced a television camera and described the stench.

"Once you smell it, it's just like you're right there, because it's so strong," Najjar told KGW. "You can't escape it."

The TV story seemed to have the desired effect. Najjar soon received a phone call from the Department of Environmental Quality. Najjar remembers the woman on the phone saying she wanted to apologize for what her family had been through.



While Najjar and her neighbors were organizing, Linda Hayes-Gorman was on the verge of a delicate deal with AmeriTies to do something about the odor. The veteran environmental administrator had to contend with two powerful lawmakers during the negotiations.

"It's a highly politically charged situation," she wrote in one email to a colleague. "1 representative and 1 senator are watching."

She was referring to Huffman and then-Sen. Ted Ferrioli, a Republican whose sprawling district stretched to The Dalles. He was included with Huffman in correspondence about AmeriTies.



Linda Hayes-Gorman (Photo: Herald and News)

The department in 2014 had adopted a plan to deal with chronic smells in places like The Dalles, finally putting teeth in rules created more than a decade earlier. The state had the power to fine companies whose odors were foul, frequent and harmful.

The endless stream of complaints made AmeriTies the first test of the state's blueprint.

Environmental regulators already had evidence of pollution from 2011 and 2012 testing around the plant. One eight-hour sample in a nearby neighborhood found naphthalene at a level 400 times the amount the state considers safe, if sustained over a lifetime.



A Department of Environmental Quality photo of rail ties releasing vapors at the plant in The Dalles.

In 2015, the state sent inspectors to smell the air for themselves. They concluded the stench was unpleasant nearly a month of each year. One hot, dry afternoon in early August 2015, for example, they rated the odor near the plant a 10 on a 0-12 scale — "highly offensive." Najjar and her family moved in six blocks away a month later.

Hayes-Gorman, the official in charge of air quality across eastern Oregon, moved cautiously.



AmeriTies representatives, at their first meeting with Hayes-Gorman’s team, made it known that the plant would smell no matter what they did, according to a state official’s notes. So, they asked: What’s the end game? How much do we have to spend?

In a recent interview, Ferrioli said he helped convince the company that it needed to do something about the odor problem or it risked being shut down. But Ferrioli said he also instructed the Department of Environmental Quality about how it should approach talks with AmeriTies.

“My admonition to the agency was, ‘Please try to do everything you can with a consultative approach. Because if it’s a regulatory approach, there’s a potential loss of jobs,’” Ferrioli said.



Former Republican Sen. Ted Ferrioli. (Photo: Stephanie Yao Long/staff)

The company requested a legal process that would limit input from residents as much as possible, the meeting notes say. The Department of Environmental Quality agreed.

The process dragged on for months. When an agency official in Portland objected to the slow pace and secrecy, Hayes-Gorman fired off an email to one of his superiors. AmeriTies was “one of the few places to earn full wage in town,” she wrote. Any solution that was too costly might lead Union Pacific to move rail tie production elsewhere.

The message was in tune with Huffman’s pro-jobs platform and his donor base. He took \$445,000 from corporations and industry groups over a decade, compared with \$56,000 from residents of The Dalles and small unnamed sources.

SEARCH THE DATA: See how much current legislators have raised and from what source. [↗](#)

At the time of the AmeriTies negotiations, Huffman sat on the Legislature’s most powerful committee, Joint Ways & Means, which controls the Department of Environmental Quality’s \$300 million budget.

Huffman enjoyed sweeping access to Hayes-Gorman and other state officials as they negotiated with AmeriTies, emails and calendar entries show.

Huffman had Hayes-Gorman draft a response to a constituent who complained about the plant. He lunched with Messina, the state official overseeing the plant, and another air quality manager the day they negotiated final deal points with the company.

The secret agreement with AmeriTies was almost finished when Huffman heard about Rachel Najjar and her fellow activists. Huffman emailed Hayes-Gorman, worried that “a few very vocal people” were trying to make trouble.

He wasn’t about to let the deal with AmeriTies be upended.



Najjar realized she’d found someone in charge when the Department of Environmental Quality’s call came. It was Linda Hayes-Gorman. Najjar started asking questions.

Her husband is from Liberia, she explained. She worried her children were suffering from hemolytic anemia, a problem with red blood cells that can be

caused by naphthalene. People of African descent are particularly at-risk.

In the days that followed, Hayes-Gorman asked local health officials whether they'd pay for tests Najjar wanted for her family. They wouldn't.

DATA POINT: Oregon is one of only five states without any limits on the amount of money given to political campaigns. #PollutedByMoney 

Hayes-Gorman also offered advice that struck Najjar as strange. Maybe you should buy face masks for your children, she said.

Hayes-Gorman declined to answer questions about the phone call. She told her superiors the face mask comment was a mistake.

After a while, Najjar recalled, Hayes-Gorman said she had to go. She was having lunch with a state representative named John Huffman.

"He's really a great guy," Najjar remembered Hayes-Gorman saying. "You should really contact him."

Najjar didn't understand. Why was a person with the power to force change at AmeriTies telling her to buy face masks and call her state representative?



Unseen to Najjar, Huffman worked to minimize the impact of her TV appearance.

"A FEW VERY VOCAL PEOPLE" (p. 1)
I am concerned (no evidence, just a feeling that I hope is only last night's pizza...ha!) that a few very vocal people may be attempting to escalate the noise/concern level on Amerities. As we
[View the entire document with DocumentCloud](#)

He contacted Gov. Kate Brown's staff, saying the pollution Najjar and others complained about did force people indoors — but only two or three days a year.

Yes, he said, he believed Najjar's kids got sick. But he told advisors to the governor, who oversees the Department of Environmental Quality, that he didn't want the children's experience to "skew reality."

"Two episodes should be monitored, but not given the weight of a couple dozen folks getting sick at the same time," he wrote in an email.

The same week Najjar and Hayes-Gorman spoke, Oregon signed the deal with AmeriTies. Hayes-Gorman scheduled a community meeting to unveil it. With activists from Portland expected, Huffman persuaded The Dalles police chief to send an officer.

Najjar asked Hayes-Gorman if residents could speak. When Hayes-Gorman raised the idea with Huffman, he wasn't happy.



A historical view of the rail tie plant, which has passed through multiple owners in the last century. (Photo: Oregon DEQ)



“I have never said this will be a forum for people to make position or political statements and have a bitch session,” Huffman told Hayes-Gorman by email.

“Lay out the plan and answer questions, that’s all that was ever promised.”

Huffman suggested giving the residents a total of five minutes, early on. “Get it out of the way,” he said.

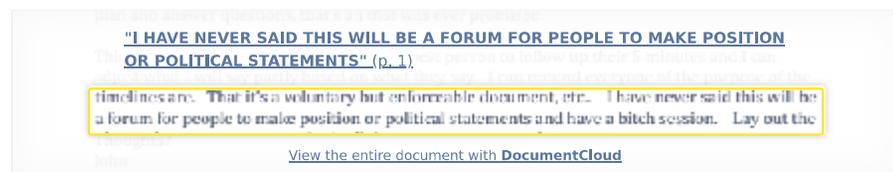
When Najjar continued pressing for public involvement, Hayes-Gorman looped Huffman into the email exchange. The state lawmaker had a curt message for Najjar.

“I’m not sure what impression you are under,” he told her. The meeting was to brief residents, not gather their comments.

It was Najjar’s first contact with the man Hayes-Gorman had suggested would be helpful. Najjar seized the moment.

“Our beautiful community is suffering and we need your help,” Najjar told Huffman by email. “My children’s lives are at risk. Please be a voice for us.”

Huffman’s response was pointed. He said the state had followed a process “to make sure state/government agencies don’t bully citizens or businesses” and to protect AmeriTies workers “that have a voice, none of which are showing health concerns.”



He ended by accusing her group of complaining about the smell on days the wind blew away from their homes.

“Tell your associates that false reporting does not help,” he wrote.

When the night of the meeting arrived, the audience was angry. Not everyone realized the state had already inked its agreement with AmeriTies.

Najjar and another activist gave brief statements when their five minutes arrived. Others in the crowd shouted at state officials, outraged that they’d been excluded from negotiations.

The state had given away a lot.

An early draft said AmeriTies would have to explore additional controls if “unpleasant” odors continued. The final deal included only “highly offensive” odors. The early draft said AmeriTies would face penalties of \$250 a day for violating the agreement. The final version deleted the reference to fines.

DATA POINT: Per resident, corporate interests gave more to winning Oregon legislative races than in any other state. #PollutedByMoney

In the end, AmeriTies pledged to take 10 steps toward pollution control. Seven were things the company was already doing. Two required the company to simply study new controls. Just one, switching to a new creosote formulation, had a strict mandate — and the deadline was more than a year out.

The department’s director at the time, Pete Shepherd, opened the meeting by telling the crowd — the people his agency had left out — that he knew “the importance of listening to people speak from their heart in the place where they live,” according to The Dalles Chronicle.

When Huffman began his remarks, the Chronicle reported, an unidentified resident blurted a question.

“Don’t you take money from the railroads?”



Good things happened afterward for the people who helped shape the state’s deal with AmeriTies.

Hayes-Gorman, the environmental official, was rewarded with praise from Huffman in an email to Gov. Brown’s office. “She has been awesome!” Huffman said. “Very responsive!”

The department’s top lobbyist in Salem lauded her work, too, telling Hayes-Gorman that “your efforts and outreach have helped our relationship with Rep. Huffman.”

Hayes-Gorman said her interactions with Huffman weren’t unusual and that she felt no pressure. “We were informing him and keeping him apprised,” she said. “He would not have been involved in any of the negotiation points.”

Ferrioli, who took \$4,500 from Union Pacific during his career, said his intervention “didn’t have daggone to do with who owned the property or who’s the beneficiary.” It was meant to resolve complaints about the smell and save jobs at AmeriTies.

Union Pacific didn’t address specific questions about the AmeriTies deal. It said in a statement that the company “works with elected officials who understand the economic necessity of Oregon’s transportation infrastructure.”

The day the deal was finalized, Huffman told Hayes-Gorman he was meeting Union Pacific officials in a week.

His campaign recorded a \$1,000 contribution from the company six days later.

It was the biggest of six donations that Union Pacific gave him over the years.

Huffman’s Union Pacific money went into the same campaign account that paid \$41,850 to his wife, Korina, for bookkeeping and other campaign work over a decade. He directed another \$18,250 from the campaign account to his property

management company, Huffman Investments, for campaign office rent and storage during his time in the Legislature.

Huffman told The Oregonian/OregonLive the Union Pacific donation had nothing to do with his involvement in the deal, even though he acknowledged the timing made it look like it did.

“The optics don’t look great. You’d have to be silly to not see the optics of it, but there’s no connection. There’s just no connection,” Huffman said.

“Does it look odd?” he said. “Yeah, it does. Did I influence any of the outcomes? No.”



The true test of the AmeriTies agreement was whether or not the air smelled better.

Two months after the agreement was signed, new data showed concerning levels of naphthalene in the air. AmeriTies agreed to speed up its deadline for switching chemicals,

Industry contributions

Per lawmaker, Oregon is one of the highest-ranking states for contributions from a wide array of industries.

Industry	Per lawmaker	Oregon rank
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Business associations	\$15,277	4
Soft drinks	\$13,112	1
Farming	\$12,778	6
Grocers	\$12,530	1
Tobacco	\$9,189	4
Hospitals	\$8,653	9
Food processors	\$3,600	3
Railroads	\$3,581	6
Trucking	\$2,962	5
Waste management	\$2,781	5
Chemicals	\$2,349	5
Fish processors	\$1,612	1
Health care products	\$1,128	4

[Get the data](#)

moving to a different creosote formulation in late 2016 and diluting it with seed oil.

Testing in 2017 found average daily naphthalene levels down by about half from a year earlier. But the level closest to the plant was still 38 times higher than what the state considers safe to breathe over a lifetime.



Creosote storage tanks at the AmeriTies plant. (Jesse Burkhardt/The Dalles Chronicle)

Plant records provided to the state also show AmeriTies made rail ties on fewer days when testing occurred in 2017, in part because the facility stopped production for 12 days straight.

Thompson, the plant manager, said the company's demand was lower in 2017, giving the plant more time to close for annual preventative maintenance.

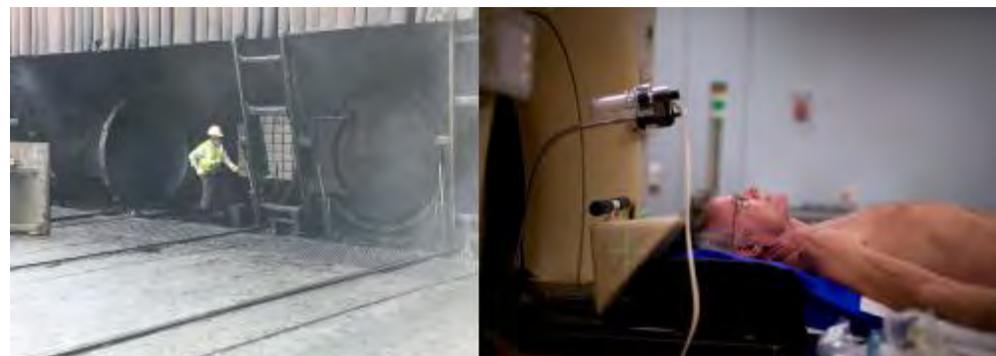
Two former employees said it was unusual for the plant to close for so long in summer. One said the plant never stopped summertime production that long during his 38-year career there — not even during a worker strike.

An attorney with the Oregon Department of Justice told environmental regulators residents could file a lawsuit arguing the state hadn't allowed public engagement in the deal. But the deadline to sue was nearly past by the time the attorney, Paul Garrahan, provided his confidential advice.

The environmental agency didn't tell the public about its appeal rights. No one sued.

Townsppeople did sue AmeriTies, claiming its smell devalued their property. In a May 2018 settlement, the company agreed to spend an additional \$250,000 on pollution controls. The plaintiffs' lawyers were paid \$500,000.

Residents were promised a combined sum of \$750,000, divided among every household that opted in.



A plant worker wearing a respirator loads fresh wood in the pressurized cylinder where it is infused with creosote. Former plant employee Mike Kennedy, right, said workers in the 1960s just held their breath. Kennedy has undergone cancer treatment at Oregon Health & Science University. (Photo, left, courtesy Dalles Chronicle)

Unhappy about the deal and worried about their children, Najjar and Cronkright gave up on The Dalles and now live in Hood River.

Mike Kennedy, the former rail plant worker, lived on the bluff above the plant for decades. He moved, too.

Kennedy, 74, was diagnosed in 2010 with a rare form of bile duct cancer he suspects was caused by chemical exposure at the plant. Back in the 1960s, Kennedy held his breath amid fumes so thick he could see them. When his skin burned, he slathered himself in calamine lotion. Today, workers wear protective gear and respirators.

After his diagnosis, he said doctors gave him 18 months to live. Kennedy eventually decided to sell his home, but it sat on the market for years. The smell, would-be buyers said. Before he moved, he sent a complaint to the Department of Environmental Quality. Into the AmeriTies files it went.

Kennedy got a form letter back.

It was missing punctuation.



Some of the more than 1,300 complaints filed against AmeriTies.



Dry gorge winds swirled one sweltering spring evening last year as health officials gathered in a dimly lit community auditorium in The Dalles to present their latest study. They concluded the plant’s pollution could cause physical health problems and contributed to a slight increase in cancer risk for town residents, but not enough to constitute a public health hazard.

The officials said more work needed to be done. More sampling. More negotiations. More studies.

As the bureaucrats prepared for the meeting, a tow-headed boy, no older than 12, stood high on his dirt bike, riding along the bluff above the rail tie plant. Under the late-day sun, the boy popped wheelies and coasted on the downhill. His hair fluttered in the wind.

The air around him smelled, unmistakably, like mothballs.

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Next: A regulator tamed by threats and fear

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“Our eventual aim is to divert all wastes from the river. And I’m convinced it can be done. Maybe not tomorrow. But we’re moving in on the problem.”

— L.B. DAY, GOV. TOM MCCALL'S DIRECTOR OF ENVIRONMENTAL QUALITY, 1972

Part Three of Four

March 8, 2019

Story by **ROB DAVIS**

Photography by **BETH NAKAMURA**

The Oregonian/OregonLive

The threat was explicit.

Kevin Downing's job in Oregon government was to reduce cancer-causing pollution from diesel engines, and the state was interested in following

California's lead by requiring cleaner trucks. Texas was doing it. So were New Jersey, Connecticut and Georgia — a dozen states altogether.

Downing said when he pushed the idea, his boss at the Department of Environmental Quality told him to make a phone call.

The initiative would lead to less smog in Oregon, but truckers disliked it because the new engines got worse mileage. Oregon Trucking Associations Inc., and its chief lobbyist, Bob Russell, boasted online about a “direct line of communication” with state agencies.

“Call Bob Russell and see what he thinks,” Downing recalled being told by Andy Ginsburg, then Oregon's top air quality official.

Downing did, and he said Russell delivered a warning.

“The message that Bob told me to convey back to my managers was that if we were to proceed on this, he'd go after the agency's budget,” Downing said.



Kevin Downing, recently retired clean diesel coordinator for the Department of Environmental Quality.

Russell said he didn't recall making a threat against the department's budget.

"It's not my style to do that kind of stuff," he said.

But Oregon backed off on cleaner trucks.

The message Downing took from that phone call in 2001 reveals one way Oregon's corporate polluters get their way: by ensuring that Oregon's environmental regulators pay a steep price for one wrong move.

An expansive review of internal documents and dozens of interviews with current and former environmental regulators, lobbyists, advocates and lawmakers reveals that pressure tactics have instilled a deep culture of deference at the Department of Environmental Quality.

Contributions by legislator

Here's a breakdown of campaign contributions to each current Oregon legislator for election cycles from 2010 to 2018. Click on a button to see more info about a legislator. Type a name in the search bar to find a legislator.

Search:

Legislator	Total	Corporations & industry groups
Sen. Fred Girod	\$388,672	89%
Sen. Herman Baertschiger	\$264,356	80%
Rep. Mike McLane	\$2,592,084	80%
Rep. Duane Stark	\$255,634	79%
Rep. Carl Wilson	\$362,952	77%
Rep. Sherrie Sprenger	\$365,736	75%
Sen. Brian Boquist	\$580,253	75%

Sen. Jackie Winters	\$1,475,761	73%
Sen. Mark Hass	\$562,622	73%
Sen. Lee Beyer	\$728,989	72%

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The pressure works because environmental officials know industry lobbyists can back up any threat. Business lobbyists have secured access to lawmakers by giving them vast quantities of cash under Oregon's unusually wide-open campaign finance laws.

Corporate interests give more to the average lawmaker in Oregon than almost anywhere else in the nation. Over a decade, industry groups donated \$43 million to winning candidates for the 90-seat Legislature. No other set of donors came close, according to The Oregonian/OregonLive's analysis of data from the National Institute on Money in Politics.

The trucking association funneled \$250,000 to winning Oregon campaigns during the period, including leading Democrats — Gov. Kate Brown, Senate President Peter Courtney and House Speaker Tina Kotek.

The industry as a whole gave 74 percent more money per legislative seat in Oregon than in Washington, which, unlike Oregon, limits campaign contributions. Oregon is one of just five states that set no caps on political donations whatsoever.

Budget threats cast long shadows. Department officials have been pushed around so often that overt ultimatums have seldom been needed. For years, the agency's No. 1 internal performance measure has been providing "good" or "excellent" customer service to the industries it regulates.

"DEQ was at the mercy of industry in order to get budgets for even basic things," said Jules Bailey, a former state representative who led the House Energy and

Environment Committee from 2012 to 2014. Because of the money corporations pour into state elections, “industry can make a credible threat that they have influence over their budget. It gives industry enormous negotiating power.”

Brown has installed new leadership at the department: a new director, oversight board and senior staff. They are seeking to change the atmosphere, pushing for greater funding and a shift in priorities toward human health during the 2019 legislative session.



Trucks on Interstate 5 in Portland during rush hour.

“DEQ is not intimidated into silence,” said Richard Whitman, who was hired as director in 2017. “We have asked for the resources needed to assure Oregonians that their health and our environment are being appropriately protected.”

It is not yet evident their point of view will prevail with state lawmakers.

Craig Johnston, a Lewis & Clark Law School professor and former U.S. Environmental Protection Agency enforcement attorney, interviewed to be the Department of Environmental Quality’s leader in 2016.

He met with a half-dozen legislators and talked to people within the agency. He said he was surprised to hear that nearly every time the department levies even

minor fines against companies, their state representatives complain.



DEQ'S COSTLY CLOCKS: In 2016 the cash-strapped agency found enough money to buy 19 internet-synchronized \$300 clocks. [↗](#)

“People think this is ecotopia,” he said. “But the political climate in Oregon is just that it doesn’t take environmental mandates very seriously.”

Johnston was clear with lawmakers and decision makers: If hired, he would change that.

He wasn’t picked.

Downing said his experience with the trucking lobbyist had a chilling effect for years. It changed his thinking about why bosses shot down his ideas. He said he became resigned to it.

“Environmental groups, even when they oppose an action, never threaten to cut an agency’s budget because it goes against their interest,” Downing said. “A business advocacy group can use this with little cost to them. People don’t realize, when they’re urging the department to become more aggressive, how profound that vulnerability is.”

Ginsburg, Downing’s former boss, eventually left the agency. He said he didn’t recall a threat from the trucking association. But he said the information would have been one factor in deciding if it was worth the effort to seek legislative approval.

“It wouldn’t have caused management to say, ‘Industry doesn’t like it, we won’t do it,’” Ginsburg said. “But we would say, ‘Do we have the votes? What else would we not take on to do it?’ We would’ve considered all those other questions and made a strategic call.”



Budgetary threats are a time-honored tactic for lawmakers who want to shield an industry from Oregon's environmental agencies.

Back in the 1980s, when the Oregon Water Resources Department proposed cutbacks on agricultural irrigation in the Umatilla Basin to address falling water tables, it provoked a reaction. Mike Thorne, a Pendleton senator who ran the Ways and Means Committee, stalled the water department's budget.

Thorne told The Oregonian/OregonLive in 2016 that he saw agency leaders rushing to regulate without considering the options.

"I wasn't trying to be punitive," the former Democratic senator said. "I just expected a level of performance that I didn't see."

In 2001, the Republican-controlled Legislature was angry with the Oregon Department of Fish and Wildlife, which members perceived as anti-development and allied with progressive federal agencies. Legislators forced the agency to move its main office from Portland to Salem. State workers wound up with two-hour commutes or uprooted their families to move.

Pressure brings agencies in line, and the Department of Environmental Quality is no exception.

"DEQ's budget is often held hostage on account of industry concerns," said Jackie Dingfelder, a former Democratic lawmaker who led the state Senate's environment committee from 2009 to 2013. "I saw that session after session after session, with both Republicans and Democrats.

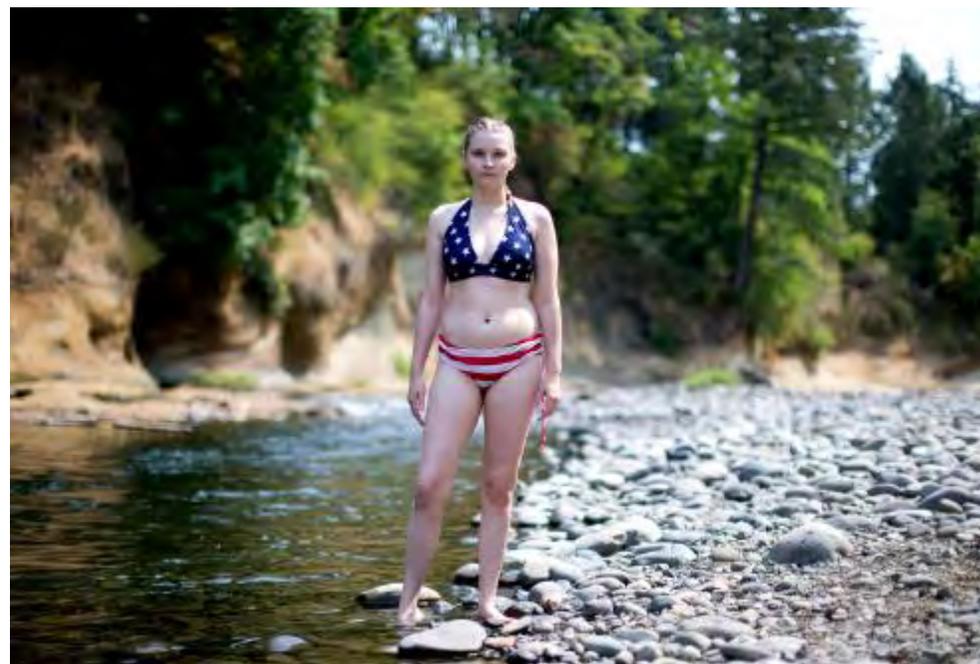
"I would have Democrats come to me and say, 'What is DEQ doing?'" Dingfelder recalled. "I'd say, 'They're doing their job.'"

That's exactly what happened in 2017. Department officials that spring announced plans to test the air near Entek, a battery parts manufacturer in

Lebanon, for the cancer-causing solvent trichloroethylene. Computer modeling showed concentrations that concerned the department.

Entek co-founder James Young and CEO Larry Keith have personally contributed \$113,000 to lawmakers in elections since 2010.

Entek and its founders also donated \$95,000 in the past decade to Oregon Business & Industry and its predecessor, Associated Oregon Industries, a powerful lobbying group that gave lawmakers \$877,000.



When it rains during swimming season, the sewage treatment plant in the growing city of Molalla has dumped treated waste from its over-burdened storage ponds into the Molalla River. The Department of Environmental Quality took years to negotiate improvements. The deadline to build a new treatment plant? 2023. Victoria Ferguson, 21, said of the Molalla: "It's where my parents swam when they were teenagers, and where they took us to swim as kids, and where we still swim now with our friends as young adults. I would like my future children to be able to enjoy that river."

Eight people funded by the business group and Entek's founders were in a position to voice the company's displeasure with the state's testing plan. All sat on the Legislature's most powerful committee, Joint Ways and Means, which controls the budget of the Department of Environmental Quality. They attacked the agency at a hearing that May.

The department's decision — to tell Entek's employees and neighbors they might be breathing harmful pollution — “will go down as one of the most shocking displays of public perception miscalculation that I have seen in my career,” said then-House Minority Leader Mike McLane, an attorney from Powell Butte.



Rep. Mike McLane, R-Powell Butte (Photo: Stephanie Yao Long/Staff)

His campaign had accepted a \$50,000 contribution seven months earlier from a political action committee funded by \$320,000 from Entek's founders.

Seven of the lawmakers voted to stall the state's application for a \$649,000 federal grant — free money — to study diesel pollution around Portland's rail and freight hubs. Some

of them also helped kill \$1 million for a clean air initiative proposed by Brown.

Sen. Fred Girod, R-Stayton, a dentist whose district includes Entek, said he was so angry he'd never vote for “a damn dime” for the state's environmental agency until it cleaned up its act.

Sen. Betsy Johnson, a Democrat from rural Scappoose and one of the eight, didn't hide why the money was being blocked.

“The way you guys went after Entek, I simply cannot support a grant application that advances your agency's work on this issue,” she said. “It was Entek this time. Who knows who it's going to be the next time?”

The message seemed to have an effect. The Department of Environmental Quality first delayed deploying air monitors outside Entek for a few months, then for more than a year. Whitman said the agency will put a monitor in Lebanon in 2019.

Meanwhile, before the current legislative session, Courtney, the Senate president, handed Johnson a promotion. She now shares control of the Ways and Means Committee, giving her sweeping authority over the Department of Environmental Quality budget.



The Legislature has overseen a protracted reduction of the agency's workforce. The department shrank by 20 percent between 2001 and 2015, even as the state's population rapidly grew.

The decline in staff has left the agency without the ability to do basic work.



A blue heron on the Willamette River in Eugene. Testing of the river in 2008 and 2009 found high concentrations of carcinogenic chemicals in northern pikeminnow, a resident fish that eats other fish. But the agency didn't find the source. It collected samples again in 2016 but hasn't analyzed the results. (Photo: Terry Richard/staff)

In Eugene, Willamette River testing in 2008 and 2009 found high concentrations of carcinogenic chemicals in northern pikeminnow, a resident fish that eats other fish. But the agency hasn't figured out the source, baffling environmental groups that advocate for a cleaner river. The department collected samples again in 2016. It still hasn't analyzed the results.

"Why on earth would you want a problem like that to persist and make it so this agency literally doesn't have the bandwidth to get out there and investigate?" asked Travis Williams, executive director of Willamette Riverkeeper. "Then we wonder why people aren't turning up to swim."

Greg Pettit, the agency's retired laboratory manager, said he once asked for approval to test samples of water after a fish kill.

"Literally I was told: 'We have more work on our plate than we can handle. Why would we want to go out and look for new problems?'" Pettit said.

Current and former employees said the budget assault established a clear mindset inside the agency: Don't be aggressive. Prioritize education, not enforcement.

Marianne Fitzgerald, who worked at the agency from 1977 to 2008, said the prime engineer of that approach was former director Stephanie Hallock. Fitzgerald said Hallock made clear the agency would only work on projects the Legislature specifically funded.

"That attitude fostered a culture of protecting budget resources over protecting the environment," Fitzgerald said.

Hallock disputed Fitzgerald's characterization of how she ran the agency as its director from 2000 to 2008. She pointed to a different issue, the department's reliance on money from permit fees paid by polluters, as a problem that "cries out fox in the henhouse."

"It puts the employees in the constant tension of having to be responsive to people who are paying for their services," Hallock said.



Polluted water from Douglas County's Reedsport landfill, where medical waste, lead batteries and arsenic-treated wood were left to decompose, seeped into Scholfield Creek (lower right). The Department of Environmental Quality allowed the landfill to coast on an expired permit for more than a decade, during which it exceeded its pollution limit. The county started pumping the waste to a sewage treatment plant in 2017. (Photo: Alex Derr, 2014)

Compared to its counterparts in other West Coast states, the agency has set less ambitious goals and enforced environmental laws less aggressively.

Oregon's health target for reducing diesel pollution is one-thirtieth as stringent as in Washington or California. And Oregon is not even close to meeting its goal. Diesel pollution contributes to what the U.S. Environmental Protection Agency estimates are as many as 460 premature deaths a year in Oregon.

Oregon is also less likely to inspect air polluters than regulators in California or Washington, federal data show. In 2016, the department fined major air polluters \$27,600 to Washington's \$700,000. It brought 12 enforcement cases to Washington's 129.

Dave Einolf, a Portland consultant who advises businesses about environmental compliance, said the state's fines — even for repeatedly ignoring the law — are so paltry that it's cheaper for companies to pay them than it is to comply in the first place. It's just a cost of doing business in Oregon.

The Department of Environmental Quality is so lacking in expertise, Einolf said, that "they do not have a proper basis for enforcement, let alone the technical ability to adequately enforce."



Lawmakers can still influence policymaking inside the Department of Environmental Quality with just a few words.

On Valentine's Day last year, a pesticide lobbyist dashed off a vague email on her iPhone to Johnson, the Democratic senator from Scappoose. Katie Fast, executive director of a pesticide trade group called Oregonians for Food and Shelter, wanted a meeting "regarding a DEQ issue."

At the time, the department was considering a new permit that would have required more reporting about pesticides sprayed in or near waterways across Oregon. The agency said it would improve water quality statewide.

Nine days later, Johnson drafted a letter to Democratic leaders on behalf of Oregon's Coastal Caucus, a bipartisan group of coastal lawmakers.



Sen. Betsy Johnson, D-Scappoose

Johnson's letter included a 57-word change to the Department of Environmental Quality's budget, specifying that any money for the new effort had to come from an existing program — whose funding the Legislature had killed years before.

Records show that the wording of the amendment came, verbatim, from three major contributors to Coastal Caucus members in the last decade: the Oregon Farm Bureau (a combined \$13,000 in donations); the Oregon Forest & Industries Council (\$44,000) and Oregonians for Food and Shelter (\$17,000).

“We have never made a political contribution contingent on any particular action, issue or outcome. Ever,” representatives for Oregonians for Food and Shelter and the Farm Bureau said in a joint statement.

Lawmakers active on the pesticide issue in 2018 represent rural districts and “care about and engage in our state’s natural resource policies. As they should,” the groups said.

The amendment wasn’t adopted. But it didn’t matter.

Inside the department, work on the new reporting requirements ground to a halt.

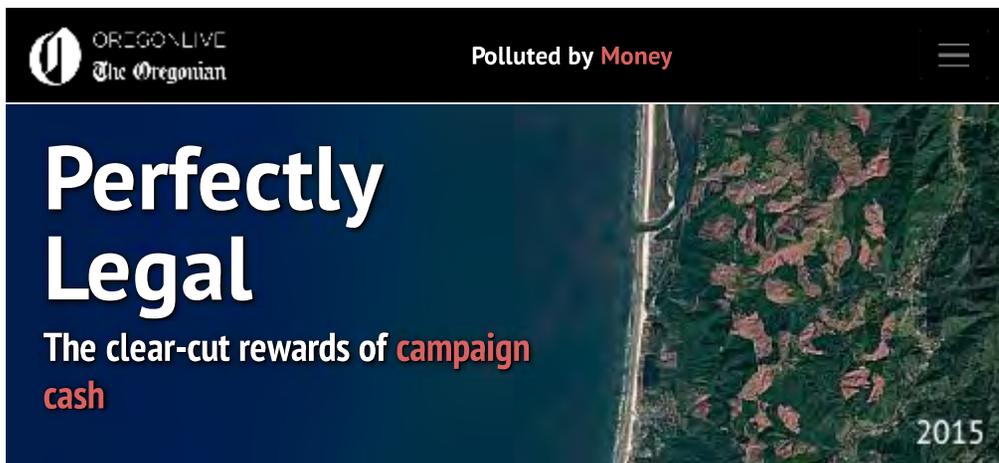
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Next: Campaign perks and a watershed in peril

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The watershed that provides drinking water to Rockaway Beach was almost entirely logged in the past 15 years. Residents said they struggled to be heard by a local lawmaker who took thousands from timber companies. (Images: Google Earth Engine)

“There is no longer anything sentimental about trying to save a tree or protect an old swimming hole.”

— OREGON GOV. TOM MCCALL, EARTH DAY, 1970

Part Four of Four

March 15, 2019

Story by **ROB DAVIS**

Photography by **BETH NAKAMURA**

The Oregonian/OregonLive

After announcing she would retire from Oregon’s Legislature early last year, Rep. Deborah Boone freely spent her remaining campaign money — on herself.

The Cannon Beach Democrat wasn’t on the ballot. She had no need for yard signs. But she had \$13,000. Some legislators transfer all their leftover money to

other candidates or causes. Boone spent her account dry.

She bought tangible goods: A \$2,799 Apple computer, \$2,000 in Volvo repairs and a \$700 set of tires.

She double dipped, using campaign cash to pay bills that taxpayers also reimbursed. There was the \$170 dinner during the legislative session, the multi-day \$595 hotel stay in Salem, the gasoline and cell phone expenses after the session ended. Charging her campaign let her pocket some of the \$10,000 in expense allowances the Legislature provided during her last year in office.

“You know, it’s legal, it’s perfectly legal to do,” Boone told The Oregonian/OregonLive. “I’m not saying I should’ve done it or whatever.”

The failure to limit campaign donations has turned Oregon into one of the biggest money states in American politics, an investigation by The Oregonian/OregonLive found. Corporate interests donate more money per resident in Oregon than in any other state. All that giving worked. Oregon now trails its West Coast neighbors on a long list of environmental protections.

To understand how the vast sums of corporate money can influence lawmakers, it helps to see how they

Campaign spending

Since 2008, members of the Legislature have spent an estimated \$2.2 million in campaign funds on items prohibited in at least one other state.

Category	Amount
Family member on payroll	\$469,000
Family member’s mileage	\$7,000
Fines for election violations	\$79,000
Membership dues for civic groups	\$71,000
Car maintenance	\$23,000
Dry cleaning	\$1,000
Out-of-state travel	\$611,000
Legislative office costs	\$392,000
Gifts and gatherings during session	\$88,000
Lodging during session	\$164,000
Meals during session	\$22,000
Mileage during session	\$206,000
Fuel and parking during session	\$23,000
Airfare in-state during session	\$4,000

Chart: Analysis of Oregon State Elections Division data

can spend the donations. The money buys more than consultants and mailers.

Oregon allows lawmakers to spend campaign money on perks they'd otherwise have to pay for personally or justify on legislative expense reports. And, by permitting double dips, the state has created a conduit between the nation's largest companies and legislators' bank accounts.

The result: Lawmakers owe donors for far more than their legislative seats.

The newsroom combed through 114,000 transactions and \$83 million in campaign spending by state lawmakers over the last decade. The review found hundreds of cases of double dips that benefited lawmakers' pocketbooks and other questionable spending that enhanced their lifestyles.

The analysis also uncovered \$2.2 million in spending that would have been illegal in at least one other state, including salaries to family members, capitol office furnishings, international luxury travel and fines for campaign finance violations.

"This is embarrassing for the whole Legislature," said Robert Stern, a good government advocate and attorney who helped write California's campaign finance controls. "It undermines the whole campaign finance system when you're taking campaign money and using it for personal purposes. It appears almost like legalized bribery."

Lawmakers justified the expenses as essential to winning voter support, legislating or making their jobs pay a sustainable wage. Lawmakers are paid \$24,000 a year. They collect another \$22,000 in per diems during a long legislative session.



Rep. Paul Evans, D-Monmouth, used \$5,000 in campaign money to pay for 105 visits to pubs and sports bars in his district. The Arena Sports Bar in Independence was a frequent destination. Some of the payments happened during legislative sessions, when taxpayers paid his living expenses. (Photos: Teresa Mahoney/staff, left; Denis C. Theriault/staff, right)

"I understand how someone unfamiliar with the schedule of a citizen legislator might be confused by the scale and scope of the meetings I have held over the last five years," said Rep. Paul Evans, D-Monmouth, who used \$5,000 in campaign money to pay for 105 visits to pubs and sports bars in his district.

The dates of the payments included times when taxpayers were already reimbursing his meal costs.

In an email, Evans said of his sports bar trips that he tries "to optimize available times during the week and/or weekends when people can meet" and that meetings over a meal "promote a constructive work environment."

He declined to say whether he purchased alcohol.



Campaign cash saturates life in the state Capitol.

You'll see it everywhere when you walk in, past the inscription beseeching the state's citizenry to eschew vice and be righteous purveyors of justice.

It's the bouquets on the floor of the House of Representatives and flowers on Senate desks. It's the candy, coffee and water in Rep. Brian Clem's office. It's the ink and office supplies in Rep. Greg Smith's office. It's the souvenirs Rep. Sherrie Sprenger gives to children who visit her office. It's flags and framed bills and commemorative pins and mugs and socks and end-of-session parties and all the hundreds of gifts that lawmakers give one another.

Search the data: See how much current legislators have raised and from what source. [🔗](#)

Campaign money also bankrolls items that lawmakers can take home.

Clem, D-Salem, bought a \$399 Apple Watch in September, his latest campaign-funded accessory from the California company. He's also purchased Apple's wireless headphones, an iPad, an iPhone and a second Apple Watch. (One was for an aide, he explained.)

"That's all stuff I use here in the Capitol," Clem said. His watch helps him keep track of meetings in Salem, he said.

Clem said he needed wireless headphones because "when I'm driving and talking about legislative business, I can't do it illegally." He declined to explain why the wired headphones that come with every iPhone were insufficient for the task.



Rep. Caddy McKeown, D-Coos Bay, spent \$690.24 in campaign funds in November 2013 for a stay at the Fairmont Banff Springs hotel during a conference. Unlike some states, Oregon allows campaign money to pay for travel related to being a legislator. (Photo: Jon Sullivan, left; Stephanie Yao Long/staff, right)

Eleven days before she resigned to lead the Oregon Home Builders Association, Rep. Jodi Hack, R-Salem, used \$99 in campaign cash to pay her Amazon Prime membership. Hack said she was representing her constituents and doing outreach until her last day in office. Amazon was where she bought thank-you notes before she left, she said.

In 2016, Gail Whitsett, a former Republican representative from Klamath Falls, spent \$817.94 at a Salem Best Buy on a computer and printer for what she called "official use." She left office three weeks later.

In an email, Whitsett said she keeps the computer in a room at her home that she describes as her campaign committee office.

It has been two years since she quit the Legislature.



Oregon's permissive campaign finance laws and their weak enforcement give lawmakers wide latitude in how they spend donors' money.

Although Oregon says candidates can't spend the money for personal use, legislators get a huge loophole. Campaign money can pay expenses connected with a lawmaker's official duties.

Lawmakers can pick their excuse. Perhaps they needed a lavish dinner, posh resort stay, car wash or even dry cleaning because they hold office. Or because they'll run for office again. Either way, they can pay the bills with campaign money.

Other states make it harder.

Pennsylvania, Kentucky, Maryland and Connecticut prohibit campaigns from covering the costs of holding office: no conference travel, no mileage to and from the state capital, no furniture for Capitol offices.

"At least in Kentucky, the Legislature has decided that they want their official duties paid for officially, not through their campaigns," said Emily Dennis, general counsel for the Kentucky Registry of Election Finance.

Other states prohibit a variety of other expenses that Oregon allows. In Louisiana, it's illegal to pay a family member's salary with campaign money. In New Jersey, a campaign account can't pay a legislative aide's salary. New Mexico explicitly says campaign money can't be used for living expenses during sessions.

Oregon lawmakers say voters can keep them honest by monitoring expenditure reports posted online.

Oregon's system leaves legislators to decide "what they're willing to have printed on the front page of the paper about them," said John Huffman, a Republican who represented The Dalles for a decade. "That's the judgment call they make."

But the money is not all out in the open. Legislative candidates paid more than \$3 million in staffing costs without naming the person who did the work. Only the payroll vendor was listed.

Lawmakers also listed \$1.3 million in miscellaneous expenses of \$100 or less, the legal threshold for reporting how they spent the money.

When Oregonians call attention to questionable spending, regulators don't always investigate.

Oregon law says any election complaint must be signed by a registered voter. Records show since 2014, the Oregon State Elections Division has tossed two complaints because they were filed anonymously.

When regulators do open a case, they don't always follow through. The elections division, overseen by the Secretary of State, does not use its authority to subpoena records. Instead, compliance specialists write letters asking candidates for information. More than once, they dropped an investigation because no one wrote back.

In California or Washington, a single newspaper story revealing shady spending can prompt regulators to start digging. Eric Jorgensen, deputy director of Oregon's elections division, said his office takes a different approach.

"Do we have to be reading every story trying to find things?" Jorgensen said.

He said the late Secretary of State Dennis Richardson and other election officials told the staff "we should be complaint-driven, so we're not out there as a gotcha organization."

A particularly blatant form of spending for personal gain, the double dip, gets the elections division's blessing. A 2005 legislative effort to bar the practice failed.

The Legislature pays each lawmaker \$149 a day in per diems for food and lodging when they're in session. It happens automatically, even if they live in Salem. Legislators living outside the capital can also turn some or all of the money into extra income by charging hotels and meals to their campaigns.

In the last decade, legislators' campaigns paid \$186,000 for lodging and meals while the Legislature met.



Twenty-three lawmakers used at least \$500 in campaign money to pay rooms in Salem, a double reimbursement for living costs paid for by taxpayers. (Photos: Oregon Legislature)

Senate Majority Leader Ginny Burdick, D-Portland, Sen. Arnie Roblan, D-Coos Bay, former Rep. Bill Garrard, R-Klamath Falls, and former Rep. Sal Esquivel, R-Medford, all spent more than \$10,000 in campaign cash on lodging during sessions in the last 10 years.

Another 19 current and former lawmakers spent at least \$500 on lodging while the Legislature met: House Speaker Tina Kotek, former House Majority Leader Val Hoyle, current House Majority Leader Jennifer Williamson, Sens. Bill Hansell, Chuck Riley, Chuck Thomsen, Dallas Heard, Dennis Linthicum, Jeff Kruse, Shemia Fagan, Tim Knopp and Reps. David Brock Smith, Duane Stark, Greg Smith, Jessica Vega Pederson, Judith Stiegler, Matt Wand and Mike Schaufler.

And Deborah Boone.

“It’s why people can do away with their full-time jobs and just become legislators,” said Jim Myron, a former policy adviser to Gov. Ted Kulongoski and now a lobbyist for Willamette Riverkeeper. “They’re living very fine on their campaign contributions and puny salary.”



Former Rep. Deborah Boone, D-Cannon Beach, used more than \$1,000 in campaign funds to pay for dry cleaning, mainly at The Cleanery in Salem. (Photos: Teresa Mahoney/staff, left; The Daily Astorian, right)

The Oregonian/OregonLive spent 18 months examining how and why Oregon has fallen behind on so many important environmental fronts.

The answer? Money.

Oregon is one of just five states with no limits on campaign donations. No one has given more to state lawmakers in Oregon than Corporate America. Companies and industry groups contributed \$43 million to winning candidates in elections from 2008 to 2016, nearly half the money legislators raised.

Corporate donations promoted an easy regulatory climate where industry gets what it wants, while people threatened by pollution struggle to be heard.

Few lawmakers spent campaign cash like Boone. She used it to pay more than \$1,000 in dry cleaning bills. She spent it on car washes, wiper blades, snow tires, picture frames and a holiday wreath.

But her fundraising was typical: 60 percent from corporations, just 4 percent from individuals and small, unnamed donors.

When residents in Boone's district turned to her for help in 2013, they were confronted with a reality that is all too common in Oregon.

They hadn't given a dime.



The first image is a Google Earth rendering of the Jetty Creek watershed in 2004, the second a 2013 photo showing the extent of logging in the area. The stream, which supplies drinking water to Rockaway Beach, turned muddy after the area was logged. (Photos: Google Earth, Don Best Photography)

Nancy Webster first noticed something was wrong when the brown patches began appearing on the forested hills above the coastal town of Rockaway Beach, one clearcut after the other. Then came the helicopters, spraying weed killers. Webster could smell the chemicals at her home, a half-mile away.

The most striking change was in Jetty Creek, which collects rainfall from the hills that had been logged. The creek provides drinking water to the town of 1,350 people. It was so full of mud, Webster said, it looked like chocolate milk.

Timber companies own the entire 1,300-acre watershed and cut almost all of it over the past 15 years.

City notices began showing up in the mail. They warned that chlorine, which the city uses as a disinfectant, had reacted with the muddy water to create high levels of a cancer-causing byproduct.

State tests of creek water also found traces of a potent herbicide, sulfometuron methyl, that had been sprayed to control weeds so replanted trees could grow.

One company that logged the Jetty Creek watershed said workers installed sediment traps to catch runoff and avoided spraying near the town's drinking water plant. Another said it left wider buffers along streams than the law requires.

But Webster and other residents said it wasn't enough. They wanted safe drinking water, and they hoped Boone would help.

Webster recalled driving to Salem for a citizen lobbying day and running into Boone on the Capitol steps. She told the veteran lawmaker what was happening.

"It felt like she was not interested at all," Webster said. "All she wanted to do was talk about the winery she visits in her rounds of the district."



Nancy Webster on a tour of the Jetty Creek watershed in 2018. Logging roads and barren hillsides can create silty runoff in streams.

Rockaway Beach was not an isolated case. Mud from hillside clearcuts and logging roads threatens drinking water up and down the Oregon coast. Compared to Washington, Oregon lets loggers cut down trees and spray chemicals far closer to streams.

In 2015, two lawmakers introduced a bill to tighten spray practices in response to concerns Webster and dozens of coastal residents had raised. Both legislators were from the Portland area.

Boone said she listened to Rockaway Beach residents and sent an aide to meet with them. But she didn't sign on to the spraying bill, which died.

"The best thing I could know to do is call people in the company and discuss it with them and ask them to meet with people and get to some consensus," Boone said. "I can't make them act."

In her career, timber interests gave Boone \$26,000. The donors included a company that logged Jetty Creek. The timber industry gave more in Oregon in a decade than any other state in the country.

Boone said the companies that logged the watershed were constituents just as much as the townspeople who came to her for help.

"It's a tough thing to have to decide between," Boone said. "So I tried not to decide between."

Webster didn't know Boone had taken most of her money from corporations. She didn't know how Boone spent the money. Told about the car washes, the dry cleaning, the snow tires, the thousands of dollars in double dips, Webster sighed.

"Somehow," she said, "I didn't think it was that bad."

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Polluted by Money: How Oregon could control the influence of campaign cash - oregonlive.com

[Oregon Live](#) · by Rob Davis | The Oregonian/OregonLive · March 22, 2019

Oregon's lack of campaign finance limits has made it one of the biggest money states in American politics, an investigation by The Oregonian/OregonLive found.

The newsroom's series, [Polluted by Money](#), showed a clear impact of Oregon's freewheeling campaign system on environmental policy. The flood of money created an easy regulatory climate where industry gets what it wants, again and again.

Since the series was published, dozens of readers have asked how the problems identified by the newsroom could be fixed.

Here are three ways that other states have attempted to minimize the influence of campaign cash on elected officials.

1. Limiting the flow of money to politicians' campaigns.

Oregon is one of five states without any limit on the amount anyone can donate to someone running for office. Whether you're a candidate for the Clackamas Soil and Water Conservation District or a front-runner for governor, businesses, labor unions or individuals can give your campaign as much as they want.

That would end if voters approve a ballot referral, [Senate Joint Resolution 18](#), that's sponsored by Sen. [Mark Hass](#), D-Beaverton, and Sen. [Tim Knopp](#), R-Bend. Gov. Kate Brown, Sen. [Jeff Golden](#), D-Ashland, and several other lawmakers have backed the effort to refer the question to voters.

Sweeping majorities of voters in Portland and Multnomah County (upward of 88 percent) have supported efforts to get money out of politics in their jurisdictions. A case testing the Multnomah County limits will be argued before the Oregon Supreme Court later this year.

If lawmakers decide not to send a constitutional amendment to voters in November 2020, contribution limits could still be made legal by the Oregon Supreme Court's ruling in the Multnomah case, which is expected to be issued next year.

A 1997 Oregon Supreme Court ruling said the state constitution doesn't allow limits on campaign contributions. Now that the issue is before the court again, today's justices

could take a different position.

But a constitutional amendment by voters would set it in stone.

If limits were allowed under the constitution, either voters or the Legislature would still have to decide what they should look like in law.

In Washington, corporations, unions and individuals can give \$1,000 to a legislative candidate or \$2,000 to a state executive candidate (like the governor) in a primary or general election.

Minnesota, which is about the same size as Oregon, also sets dollar limits but goes even farther. Corporate donations aren't allowed and candidates are rewarded with public financing if they agree to limit their fundraising. In Connecticut, campaigns are almost entirely funded by taxpayer subsidies.

2. Strictly controlling how campaign money can be spent.

In Oregon, campaign money [isn't just spent on campaigning](#). It has paid for luxury hotel rooms, weekly visits to the local sports bar and a variety of wearable Apple accessories. It paid for Salem lodging and meals that taxpayers already covered for legislative sessions, boosting lawmakers' income. It even bought one departing lawmaker a year of Amazon Prime.

Oregon allows lawmakers to spend on the costs incurred from being a legislator, enabling them to cite either campaigning or legislating as a justification for many expenses.

Some states are far clearer. Pennsylvania says very broadly that campaign money can only be spent on campaigning. Others prohibit campaign spending on items that are legal in Oregon like campaign finance penalties or hiring a family member.

Oregon lawmakers can earn extra pay if they use campaign funds for hotels and meals while the Legislature meets -- expenses that taxpayers already cover through daily \$149 per diem payments. New Mexico explicitly prohibits spending campaign money on session living expenses.

Lawmakers could choose to pass a law limiting their own spending. They could choose to limit it in return for a pay raise. The salary and per diem averages out to about \$45,000 a year for the part-time job.

Voters approved spending limits when they passed Measure 47 in 2006. Those have lived in suspended animation ever since. Lawmakers' referral to voters could enable Measure 47 to become law, but they have [written it in a way that would kill it](#).

No legislation has been introduced this year to restrict how campaign money can be

spent.

Instead, this session, Sens. [Ginny Burdick](#), D-Portland, [Fred Girod](#), R-Stayton, [Floyd Prozanski](#), D-Eugene, and [Dallas Heard](#), R-Roseburg, have proposed a 68 percent raise in [Senate Bill 959](#). (On top of a 28 percent raise they were just awarded.)

3. Strictly enforcing tight rules once money is in the system.

Oregon's election watchdog, the Oregon State Elections Division, has subpoena authority but doesn't use it.

Its compliance specialists instead write letters asking questions. More than once they dropped a case because no one wrote back.

Fines are lower here than in other West Coast states. California's top fine is \$1 million. In Washington, it's \$18 million (which is pending in court). Oregon's biggest fine is \$116,000.

One Oregon elections official said he didn't want his agency to be a gotcha organization. Other state election watchdogs embrace that as their job and the reason taxpayers fund them in the first place.

They also have different managerial structures to limit their own political headwinds.

Voters in Washington and California both created independent campaign spending watchdogs in the wake of Watergate. They have a firewall that Oregon doesn't -- they're overseen by gubernatorial appointees. Their leaders are hired by the appointees, not by an elected official.

In Oregon, the Secretary of State, an elected official, decides how aggressive the division's employees should be.

Oregon lawmakers say the state's system is built upon transparency. [Anyone can see who's donating](#) to a politician and how the money is being spent. But there are gaps. Among them, the newsroom found legislative candidates paid more than \$3 million in staffing costs without naming the person who did the work. Only the payroll vendor was listed.

Lawmakers also listed \$1.3 million in unidentified miscellaneous expenses of \$100 or less, the legal threshold for reporting how they spent the money.

— Rob Davis

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‘Polluted by Money’ series underscores our commitment to journalism in the public interest

- By Therese Bottomly, Editor of Oregonian www.oregonlive.com
- March 23rd, 2019

LC- Staff Photo by: LC- Staff

Over the past month, The Oregonian/OregonLive published a [groundbreaking series](#) by investigative reporter Rob Davis that examined Oregon’s lax system of campaign finance.



Davis’ findings were stunning. While Oregon is the 27th largest state by population, we’re No. 1 in corporate giving per capita. Oregon legislators ranked first in the nation by average amount received from the timber industry, third for contributions by drug companies and fourth for tobacco money.

The series, “Polluted by Money,” reported that Oregon is an outlier, one of just five states with no limits at all on campaign contributions. And Davis meticulously demonstrated how the effects of our loose system played out in weak environmental laws and regulators with an easy tolerance of industry missteps.

To do so, he and his editor, Steve Suo, examined millions of contribution records in all 50 states from the National Institute on Money in Politics, plus more than 100,000 expense records filed by campaigns in Oregon. They posted a [database online](#) with every Oregon legislator’s money sources.

“It was astonishing to us how consistently the Oregon lawmakers ranked alongside those in California, Texas and other huge states for the amount of corporate money they received,” Suo said.

Davis’ work wasn’t easy, and it wasn’t cheap. He devoted 18 months looking deeply into

Oregon's campaign finance system and compared our laws to those of other states. He interviewed more than 200 lawmakers, residents, regulators, lobbyists and donors. He crowdsourced responses from nearly 500 Oregonians about their perceptions of institutions that are supposed to protect them from pollution. He obtained tens of thousands of records from legislators and regulatory agencies.

He also involved readers in shaping his work, asking on [our Facebook page](#) whether Oregonians had moved or changed their routines to avoid pollution. The responses pointed us to The Dalles, featured in the second part of the series.

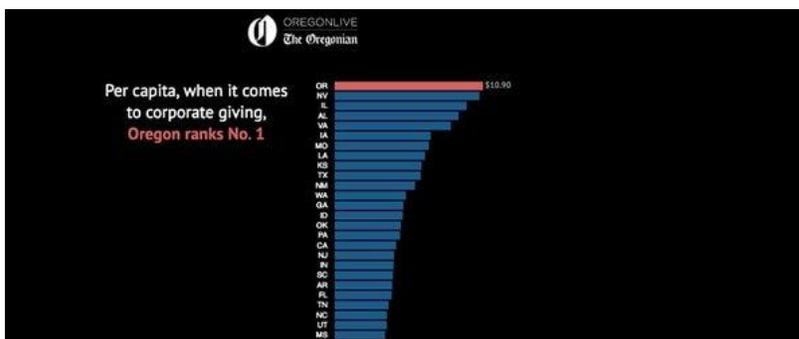
The Oregonian/OregonLive is committed to such important investigative work – public interest journalism that is at the heart of what local newsrooms are known for. This significant investment in reporting resources is what distinguishes local news organizations focused on what their communities care about most.

Based on reader reaction, Oregonians care deeply about having a clean and transparent political system.

“Hundreds of Oregonians have called and written to offer thanks for our story and to urge us to keep digging,” Davis said. “People are outraged to learn how state leaders are prioritizing corporate profits over the air they breathe and the water they drink.”

Some of the best stories are hiding in plain sight. We've known about, and covered, the state's wide-open campaign contribution system. We chronicled the millions spent on elections here. We've written extensively about the Department of Environmental Quality's tepid response to environmental problems and its kid-glove treatment of polluters.

Many insiders and politicians likely knew how campaign cash had transformed politics here, but until our series the average citizen may not have realized that Oregon had become one of the biggest money states in American politics.



Oregon is No. 1 despite the fact the state is No. 27 by population.

Davis also focused on the effect the millions of dollars had on the quality of life here. He detailed how the money [helped legislators personally](#). He

quoted politicians acknowledging the optics looked bad and the [influence of donors](#) hovered constantly. He made the case that the millions of dollars benefited industry, not average Oregonians.

An experienced watchdog reporter, Davis decided to tackle campaign financing after a

year or so of writing about the environment for The Oregonian/OregonLive. He joined the newsroom in 2013 after working at the [Voice of San Diego](#), a nonprofit dedicated to investigative journalism.

At every turn, Davis found Oregon lagged other states in enacting and enforcing tough environmental standards.

In 2014, Davis wrote a series of [stories exposing dangers](#) related to oil trains increasingly traveling through the state. He reported that lawmakers in California and Washington were addressing the public safety and environmental threats of oil transport, but Oregon was not.

Bills introduced to address the types of risks he helped expose quickly passed in those other states. In Oregon, an oil train safety bill is again up for debate this year in Salem – for the fifth time.

In 2015, he revealed that Oregon had [become a dumping ground](#) for diesel trucks that were being regulated out of California. Bills to curtail that practice have repeatedly died.

In 2016, a furor erupted in Portland over the discovery of two cadmium pollution hot spots connected to industry. Agencies had known about toxic air in Portland for years, and DEQ had created a work group to look into the problem. Davis [looked into it](#) and found the effort was timid, leaderless and consistently influenced by industry interests.

What explained this easy tolerance of pollution and environmental dangers? For him, every exposé chipped away at Oregon's reputation for protecting the environment.

Digging for the truth, he began the reporting that resulted in "Polluted by Money," the four-part series that ended last week. Teresa Mahoney, leader of our video team, produced the videos; Beth Nakamura captured the photography; and data visualization specialist Mark Friesen developed the online presentation.

Investigative reporting, and journalism in the public interest, is at the core of our mission. The Oregonian/OregonLive serves as an important check and balance on the power of government and industry. To that end, we recently launched a [Public Interest and Accountability team](#) to focus some of our key beats, such as state government, City Hall and schools, on the issues that matter most to our readers.

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--Therese Bottomly

Therese Bottomly is editor and vice president of content for The Oregonian/OregonLive. Reach her at tbottomly@oregonian.com.

Editorial: Legislators, serve the public, not your donors

- By The Oregonian, The Oregonian |, www.oregonlive.com
- March 24th, 2019



Wooden rail ties at the AmeriTies plant in The Dalles are treated with creosote to protect against the elements.

Legislators would like Oregonians to believe that the hefty campaign contributions they receive don't affect their voting.

Tens of thousands of dollars in timber industry money had nothing to do with lawmakers' [pressuring state regulators](#) to reverse new wildlife protections that would have restricted logging, they claim. Donations from construction contractors played no role in gutting legislation that would have required those same contractors to [get rid of aging diesel engines](#) in their equipment. The suggestion that it did, a lawmaker scoffed, was "insulting."

Oregonians would be justified in feeling a little insulted themselves.

As The Oregonian/OregonLive's Rob Davis detailed in his four-part series, "[Polluted by Money](#)," Oregon's campaign finance laws allowing unlimited donations and liberal spending of campaign cash have given corporations an outsized voice in shaping the state's environmental profile. The result: Compared to neighboring states, Oregon has [looser regulations, fewer requirements and lower standards](#) that appear

to put corporate objectives above the public's time and again, Davis reported. Despite multiple attempts, legislators have made little progress in curbing harmful diesel emissions blamed for causing as many as 460 premature deaths of Oregonians each year. The state has been unable to pass a bill requiring spill response plans for oil trains – even after the fiery derailment of a train in 2016 near Mosier. With elected officials raking in \$43 million in corporate campaign contributions over a decade – more per capita than any other state – it's no wonder Oregonians might doubt whose best interest lawmakers are protecting.

But legislators have an easy way to show Oregonians that such contributions – from corporations, labor unions and others that routinely give big to protect their interests – are truly unrelated to the positions they take. They can refer to voters a constitutional amendment that expressly permits the setting of campaign contribution limits and allows caps passed by voters in 2006 to finally take effect.

Gov. Kate Brown has said that a constitutional amendment allowing contribution limits is a priority for her. Under a 22-year-old Oregon Supreme Court ruling, previous efforts to cap campaign contributions were viewed as violating the state's free-speech clause. An amendment would resolve that conflict.

But Brown has not indicated what such an amendment should include. And while she addressed a campaign finance committee meeting at the beginning of the session, she has not given her position on either of the referral bills that have received public hearings.

More worrisome was a statement sent by her spokeswoman, Nikki Fisher, that seems to cast the problem of campaign finance in Oregon as limited. "The governor believes that across the country, and in Oregon, a wealthy few seek to unduly influence the electoral process," Fisher wrote in an email.

As Davis' reporting clearly established, it's not just "a wealthy few," who are influencing public policy with their money. The comment seems more of a swipe at Nike co-founder Phil Knight, who donated \$2.5 million to Brown's last Republican opponent, than recognition of how companies, unions, advocacy groups and outsiders are all using Oregon's loose campaign finance laws to their own advantage. It begs the question of whether Brown considers donations from her own backers problematic. New York billionaire Michael Bloomberg gave more than \$2 million to fight a ballot measure that would have barred grocery taxes and contributed \$750,000 to Brown through a gun-safety group he funds. And her focus on the "wealthy few" simply misses the point – driven home over and over by Davis' reporting – of just how broadly this problem of limitless donations and freewheeling spending undermines government policy.

A constitutional amendment is a critical step, not just for capping corporate donations, but also donations from those from labor unions, individuals and organizations as well. While corporations may collectively account for the largest

chunk of money, labor unions donated \$11 million over 10 years to legislators alone – nearly all Democrats – comprising a significant portion of their campaign funds.

Just as corporate contributions are arguably driving inaction by legislators on environmental issues, so are labor union donations arguably keeping lawmakers and Brown from tackling much needed reforms to the state's public employee pension system. The massive unfunded liability and leaders' refusal in recent years to adopt legal changes that would help ease the pain defy their responsibility to the public to ensure that tax dollars are going to public services – not pension debt. But once again, it appears that the good of the state takes a backseat to campaign donors.

Legislators have taken up a couple bills proposing an amendment, with the most promising one from Sen. Jeff Golden of Ashland. Among other changes in the works, the bill is expected to be revised to allow campaign contribution limits recently passed by Portland and Multnomah County voters to go into effect. Ideally, however, it would be amended to allow caps passed by Oregon voters in 2006 to take effect.

A lot can still go wrong. Lawmakers – who directly benefit from our big-money system – failed to pass referrals in previous sessions, notes Dan Meek, an attorney and [longtime campaign finance reform advocate](#). Or, he said, they may refer a weak amendment that leaves too much power in the Legislature's hands to set the caps.

But the momentum is there. This is what voters want, as they showed with overwhelming support for the campaign finance reform measures in Portland and Multnomah County. It's what Oregonian/OregonLive readers want, as shown by their strong response to Davis' reporting.

Now, it's up to elected officials: Is this what they want? If they understand their duty to Oregonians, then the answer must be yes. Legislators and Gov. Brown: serve the public, not your donors.

- The Oregonian/OregonLive Editorial Board

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Polluted by Money: How lawmakers could flush corporate money out of Oregon politics - oregonlive.com

[Oregon Live](#) · by Rob Davis | The Oregonian/OregonLive · April 18, 2019

Oregon lawmakers are negotiating specific campaign donation limits that would take hold if voters approve a ballot referendum next year to allow controls on political money.

While lawmakers have been working on a constitutional referral to send voters to permit such limits, the effort to create actual dollar limits is new. It didn't begin until The Oregonian/OregonLive reported that lawmakers planned to erase the limits that voters approved in 2006, leaving it up to the Legislature or voters to come up with new limits sometime in the future.

A work group convened by Rep. [Dan Rayfield](#), D-Corvallis, will meet for a second time on Friday to discuss possible dollar amounts. Proposals so far have run the gamut -- from \$5,000 increasing annually with inflation all the way down to \$100.

A new analysis by The Oregonian/OregonLive shows that a limit of \$100 on legislative races would dramatically reshape political campaigns in Oregon. The amount of cash would shrink, and individuals and small donors could replace Corporate America as the primary source of money.

Oregon is one of just five states in the nation with no controls on campaign donations, making it one of the biggest money states in American politics. A [four-part investigation by The Oregonian/OregonLive](#) showed the flood of money created an easy regulatory climate in which industry gets what it wants on environmental policy, again and again.

As lawmakers debate solutions, one thing is clear: The lower the proposed contribution limit, the more resistance it encounters in Salem.

Lawmakers don't have to set limits. Voters in 2006 approved some of the nation's most stringent controls. But they've lived in suspended animation ever since, awaiting a change to the Oregon Constitution to make them legal.

The voter referendum legislators drafted this year was written to preempt the 2006 limits of \$500 for statewide races and \$100 for legislative seats.

That means the beneficiaries of campaign cash are getting to decide anew on how

much money they want to allow people, unions, businesses and interest groups to donate to their campaigns.

A spokeswoman for Gov. Kate Brown said the current cap in federal races, \$2,800, is a good starting point for debate. That is nearly three times higher than Washington state allows in legislative races.

Rayfield said he wants to see lower limits, citing the \$500 limit adopted by an overwhelming majority of Portland voters in 2018.

“I would like to get lower, but I also want to ensure we get something done,” Rayfield said. “Even if you got a limit of \$2,000, that’s huge compared to where we are right now. You do that, and what does that impact long-term for policymaking in this state? That’s a pretty big deal.”

Rep. Dan Rayfield, D-Corvallis, at the Oregon State Capitol in Salem in January 2019. Beth Nakamura/Staff



Sen. [Jeff Golden](#), D-Ashland, chairman of the Senate Campaign Finance Committee, has proposed even lower limits: \$300 for Oregon House races, \$500 for Senate, \$1,500 for statewide offices except governor, which would be \$2,000.

Golden said he believes those are the lowest that limits could be set and withstand judicial scrutiny.

No one in the Legislature appears to have analyzed how much money is likely to be flushed out of the state’s political system with any of the different limits being discussed.

So The Oregonian/OregonLive did.

Using data from the [National Institute on Money in Politics](#), the newsroom simulated the effects of changing the law.

If the donors who gave to 2018 legislative campaigns had been limited to \$100 per candidate, a limit set under the 2006 ballot measure, 91 percent of the money raised would have disappeared.

Instead of raising \$29 million, candidates would have gotten just \$2.5 million, the analysis found. The calculations assume any proposed dollar limit per contributor would apply to the general election and primary election separately.

By contrast, if Brown's proposed \$2,800 limit were in place in 2018, it would have cut 46 percent of the money raised by legislative candidates, the newsroom's analysis shows.

If Oregon had put in place the same \$1,000 limit as Washington and donors remained unchanged, nearly two-thirds of the money raised would have disappeared.

The newsroom's analysis is imperfect. It simply cuts off existing contributions to 2018 campaigns at the amount of each limit. In reality, candidates almost certainly would expand their fundraising appeals if contribution levels were capped. Donor behavior would change as well.

That's what happened in 1996, when Oregon halted corporate and union donations and limited individuals to giving \$100 per legislative candidate. The number of individuals contributing nearly doubled from the previous cycle, data from the National Institute on Money in Politics show. Still, total fundraising fell by about two-thirds.

The newsroom's analysis also shows the dollar amount lawmakers choose for a contribution limit is likely to change the donor mix.

Currently, corporations and industry groups are by far the leading source of campaign money for Oregon lawmakers.

The lower the limit goes, the more it empowers small, individual donors. Individuals and small, unnamed donors would have been the biggest source of political fundraising in 2018 under a \$100 limit, providing 60 percent of the money legislative candidates raised.

In the last election cycle, only 15 percent of legislative campaign cash came from individuals and small contributions.

Unions and corporate interests, meanwhile, would play a smaller role at a limit of \$100. Donations from businesses and industry groups would comprise less than a third of all money candidates collect (down from more than 41 percent in 2018). Contributions from labor unions would make up 4 percent (down from 13 percent).

Any limit would reduce the total amount given by corporate interests. But shrinking business' share of fundraising would likely require a contribution limit of \$300 or less, the analysis found.

That is largely because higher contribution limits would deal a bigger blow to another major funding source -- party leadership committees -- than to business donors. Business' share would grow unless contribution limits are relatively low.

Since 2013, Democrats have held control of both chambers of the Oregon Legislature, as well as the governor's office. Democrats received 58 percent of the money given to legislative campaigns last year.

The newsroom's analysis found that any restrictions would likely hit Republicans harder than Democrats. The tighter the limit, the bigger the edge it would offer Democrats, the analysis showed.

While donations from a key Democratic constituency, labor unions, would plummet, other Democratic funders would give the party an advantage under contribution limits, the newsroom's analysis found.

Businesses and individuals who back Democrats tend to write small checks. The GOP's reliance on big donations, meanwhile, makes the party vulnerable to caps on how much each donor can give.

Setting a relatively permissive cap, \$5,000, would have kept the Democratic fundraising edge close to what it was in 2018. It also would have eliminated only a little more than a third of the money raised.

In the 2018 governor's race, the most expensive in Oregon's history, a \$100 limit would have had the same impact on overall fundraising as in the Legislature. More than 90 percent of the nearly \$40 million that Brown and GOP challenger Knute Buehler raised would go away.

But unlike in legislative races, the partisan advantage for the Democrat, Brown, would have grown only marginally.

The Legislature is still waiting to send a ballot measure to voters to make the creation of contribution limits legal under the state constitution.

The measure, [Senate Joint Resolution 18](#), advanced out of the Senate Committee on Campaign Finance March 27 with a 3-2 party line vote and now sits in the Senate Rules Committee.

Sen. [Ginny Burdick](#), D-Portland, the rules committee chairwoman, said through a spokesman that she is "extremely committed" to referring the ballot initiative to voters.

Fedor Zarkhin contributed data analysis.

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