

Proposed Amendments to
House Bill 2680

Requested by Representative RAYFIELD

3/19/21 (DRG)

LC 2511

On page 1 of the printed bill, line 2, after ORS>> delete the rest of the line.
Delete line 3 and insert 260.005, 260.042, 260.266, 260.995, 305.754 and 305.796;
repealing chapter 3, Oregon Laws 2007; and declaring an emergency.>>.

Delete lines 5 through 25.

Delete pages 2 to 9 and insert:

SECTION 1. Sections 2 to 4 and 21 of this 2021 Act are added to and made a part of ORS chapter 260.

SECTION 2. As used in sections 2 to 4 of this 2021 Act:

(1) <Caucus political committee,> <major political party,> <measure political committee,> <minor political party,> <multicandidate political committee,> <political party committee> and <recall political committee> have the meanings given those terms in ORS 260.042.

(2) <Election cycle> means the period starting on the day after the date of a general election and ending on the date of the next general election.

(3) <Local provision> means a charter provision, ordinance, resolution or other provision adopted by a city, county or other local government.

(4) <Membership organization> means an organization that:

(a) Is either:

(A) Tax-exempt under section 501(c) of the Internal Revenue Code; or

(B) Has filed all necessary materials to obtain tax exempt status under section 501(c) of the Internal Revenue Code with the federal Internal Revenue Service and has not yet had the organization's application approved or denied;

(b) Is not formed or operated for the purpose of conducting or promoting commercial enterprise; and

(c) Is composed of individual members who:

(A) Have taken action to join the organization; and

(B) For each year of membership, on an annual or more frequent basis, either pay monetary membership dues, make a monetary donation or volunteer time as a condition of maintaining membership in the organization.

(5) <Small donor political committee> means a political committee that:

(a) Registers as a small donor political committee under ORS 260.042;

(b) Prior to registering as a small donor political committee has not accepted a contribution:

(A) From a person other than an individual; or

(B) In excess of the contribution limits for small donor political committees set forth in section 4 of this 2021 Act; and

(c) While operating as a small donor political committee, complies with the restrictions on receiving contributions set forth in section 4 of this 2021 Act.

(6) <State office,> notwithstanding ORS 260.005, means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, state Senator, state Representative, judge of the Supreme Court, judge of the Court of Appeals or circuit court judge.

SECTION 3. (1)(a) A candidate for state office or the principal campaign committee of a candidate for state office may accept contributions only from the sources and in the

amounts described in this section.

(b) Except as otherwise provided by a local provision or paragraph (c) of this subsection, the limits on aggregate contributions that may be accepted by a candidate or the principal campaign committee of a candidate for the office of state Representative under this section also apply to a candidate or the principal campaign committee of a candidate for any elected office that is not a state office.

(c) Notwithstanding any local provision, a candidate or the principal campaign committee of a candidate for any elected office that is not a state office may accept unlimited contributions from a small donor political committee.

(2)(a) A candidate or the principal campaign committee of a candidate for the office of state Representative may not accept aggregate contributions in excess of \$1,500 per election from a person, a multicandidate political committee or the principal campaign committee of a candidate.

(b) A candidate or the principal campaign committee of a candidate for the office of state Senator or circuit court judge may not accept aggregate contributions in excess of \$2,000 per election from a person, a multicandidate political committee or the principal campaign committee of a candidate.

(c) A candidate or the principal campaign committee of a candidate for a state office not described in paragraph (a) or (b) of this subsection may not accept aggregate contributions in excess of \$3,000 per election from a person, a multicandidate political committee or the principal campaign committee of a candidate.

(d) A candidate or the principal campaign committee of a candidate for state office may not accept aggregate contributions in excess of:

(A) \$50,000 per election from a caucus political committee; or

(B) \$3,000 per year from a political party committee.

(e) A candidate or the principal campaign committee of a candidate for state office may accept unlimited contributions from a small donor political committee.

(3)(a) A political committee may make a contribution to a candidate for state office or the principal campaign committee of a candidate for state office only if the political committee is registered with the Secretary of State as a caucus political committee, a multicandidate political committee, a political party committee, the principal campaign committee of a candidate or a small donor political committee.

(b) A measure political committee or a recall political committee may not make a contribution to a candidate or the principal campaign committee of a candidate for a state office.

(4) Nothing in this section limits the amount a candidate may contribute from the candidate's personal funds to the candidate or the principal campaign committee of the candidate.

(5)(a) For purposes of this section, a separate election exists in each instance in which an individual:

(A) Is a candidate for nomination to a state office by a major political party or a minor political party;

(B) Is a candidate for nomination to a state office by an assembly of electors under ORS 249.735 or by individual electors under ORS 249.740;

(C) Is a candidate for nomination to a nonpartisan state office;

(D) Will appear on a general election ballot or a special election ballot as a candidate for state office;

(E) Is a write-in candidate for state office at a primary election, general election or special election who has established a principal campaign committee; or

(F) Will appear on a recall election ballot as the incumbent holder of a state office.

(b) Notwithstanding subsection (2) of this section, during each election cycle:

(A) A candidate or the principal campaign committee of a candidate for state office who has not qualified to appear on the general election ballot may accept contributions for only one election plus any additional elections in which the candidate meets the requirements described in paragraph (a)(F) of this subsection;

(B) A candidate or the principal campaign committee of a candidate for state office

who will appear on the general election ballot may accept contributions for only two elections plus any additional elections in which the candidate meets the requirements described in paragraph (a)(F) of this subsection; and

(C) An individual may not accept contributions for more than two elections in which the individual is a candidate for nomination or election to a particular state office.

(6)(a) For purposes of the contribution limits established in this section, contributions made or received by multiple political committees are considered to be made or received by a single political committee if:

(A) The political committees have filed to operate as the same type of political committee under ORS 260.042; and

(B) The political committees are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(b) Notwithstanding paragraph (a) of this subsection, having the same individual acting as the treasurer of two or more political committees is not by itself sufficient to consider contributions made by the political committees to be contributions made or received by a single political committee.

(7) For purposes of the contribution limits established in this section, contributions made by multiple people other than individuals are considered to be made or received by a single person if the people other than individuals are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(8) Prior to the start of each election cycle, the Secretary of State shall adjust the dollar amounts set forth in this section by the cumulative change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor, or its successor, since the previous election cycle. The adjustments performed under this subsection shall be rounded to the nearest \$10 increment.

(9) The Secretary of State may adopt rules necessary to implement this section.

SECTION 4. (1) A political committee other than the principal campaign committee of a candidate may accept contributions only from the sources and in the amounts described in this section.

(2) A caucus political committee:

(a) May not accept aggregate contributions in excess of \$3,000 per calendar year from a person, a multicandidate political committee or a political party committee; and

(b) May not accept aggregate contributions in excess of \$50,000 per election from the principal campaign committee of a candidate, a caucus political committee or the candidate committee of a candidate for federal office.

(3) A political party committee:

(a) May not accept aggregate contributions in excess of \$3,000 per calendar year from a person, multicandidate political committee or caucus political committee for the purpose of:

(A) Making any direct monetary contribution to a candidate or the principal campaign committee of a candidate for any office; or

(B) The dissemination of any communication in support of or in opposition to a clearly identified candidate if the communication is made in coordination with any candidate or the principal campaign committee of any candidate; and

(b) May not accept aggregate contributions in excess of \$10,000 per calendar year from the principal campaign committee of a candidate or the candidate committee of a candidate to represent this state, or a district of this state, as a United States Senator or a Representative in Congress.

(c) As used in this subsection, <communication in support of or in opposition to a clearly identified candidate> has the meaning given that term in ORS 260.266.

(4) A multicandidate political committee may not accept aggregate contributions in excess of \$3,000 per calendar year from a person, the principal campaign committee of a

candidate, a multicandidate committee, a political party committee or a caucus political committee.

(5)(a) A measure political committee or a recall political committee may accept unlimited contributions from any person, including any other political committee.

(b) A measure political committee may not make a contribution to a caucus political committee, a multicandidate committee, a political party committee, a small donor political committee or a recall political committee.

(c) A recall political committee may not make a contribution to a caucus political committee, a multicandidate committee, a political party committee, a small donor political committee or a measure political committee.

(6)(a) During a calendar year, a small donor political committee may accept contributions from:

(A) Individuals, in an aggregate amount of no more than \$250 per individual.

(B) Membership organizations, in an amount that does not exceed the aggregate amount a membership organization may donate to small donor political committees under paragraph (b) of this subsection.

(C) Small donor political committees, in an unlimited amount.

(b)(A) A membership organization may make contributions to one or more small donor political committees. Except as provided in subparagraph (B) of this paragraph, the aggregate total contributions, including in kind contributions, that a membership organization may make to small donor political committees may not exceed an aggregate amount of \$250 per member of the membership organization, based on the number of members at the end of the prior calendar year or at the time of the contribution, whichever is larger.

(B) In kind contributions from individuals who are currently employed by the membership organization:

(i) Must be reported as contributions; and

(ii) May not be included when calculating the amount a membership organization may contribute to a small donor political committee under subparagraph (A) of this paragraph.

(C) The name and any identifying information about an individual member of a membership organization may not be disclosed as a public record under ORS 192.311 to 192.478.

(7)(a) A person may not control more than one of each of the following types of committee at one time:

(A) Principal campaign committee.

(B) Caucus political committee.

(C) Measure political committee.

(D) Multicandidate political committee.

(E) Political party committee.

(F) Recall political committee.

(G) Small donor political committee.

(b) For the purpose of the contribution limits established in this section, contributions made or received by multiple political committees are considered to be made or received by a single political committee if:

(A) The political committees have filed to operate as the same type of political committee under ORS 260.042; and

(B) The political committees are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of such person or group of persons.

(c) Notwithstanding paragraph (b) of this subsection, having the same individual acting as the treasurer of two or more political committees is not by itself sufficient to consider contributions made by the political committees to be contributions made or received by a single political committee.

(8) For purposes of the contribution limits established in this section, contributions made by multiple people other than individuals are considered to be made or received by a

single person if the people other than individuals are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(9) Prior to the start of each election cycle, the Secretary of State shall adjust the dollar amounts set forth in this section by the cumulative change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor, or its successor, since the previous election cycle. The adjustments performed under this subsection shall be rounded to the nearest \$10 increment.

(10) The Secretary of State may adopt rules necessary to implement this section.

SECTION 5. ORS 260.995, as amended by section 3, chapter 636, Oregon Laws 2019, is amended to read:

260.995. (1) Except as provided in subsection (2) or (3) of this section, following an investigation under ORS 260.345, the Secretary of State or Attorney General may impose a civil penalty not to exceed \$1,000 for each violation of any provision of Oregon Revised Statutes relating to the conduct of any election, any rule adopted by the secretary under ORS chapters 246 to 260 or any other matter preliminary to or relating to an election, for which a civil penalty is not otherwise provided.

(2) The secretary or the Attorney General may impose a civil penalty not to exceed:

(a)(A) Except as provided in subparagraph (B) of this paragraph, \$1,000 plus the amount converted to personal use for each violation of ORS 260.407; or

(B) Two times the amount of the penalty provision for violating a nondisclosure agreement that is contained within each nondisclosure agreement entered into in violation of ORS 260.407 or 260.413;

(b) 150 percent of the total cost of printing, transmitting or distributing a communication in support of or in opposition to a clearly identified candidate if the disclosure requirements set forth in ORS 260.266 are not met; or

(c) \$10,000 for each violation of ORS 260.555, 260.558, 260.575, 260.695 (1) or 260.715 (1) or section 1b, Article IV of the Oregon Constitution.

(3)(a) Except as provided in paragraph (b) of this subsection, for each instance in which a political committee or a candidate for state office or the principal campaign committee of a candidate for state office accepts a contribution in excess of the limits established in section 3 or 4 of this 2021 Act, the secretary or Attorney General:

(A) Shall require the candidate or committee to return all moneys accepted in excess of the applicable contribution limit to the person that made the nonconforming contribution; and

(B) May impose a civil penalty in the form of a fine not to exceed 150 percent of the total amount of the contribution accepted that resulted in a violation of the contribution limits established in section 3 or 4 of this 2021 Act.

(b)(A) The secretary or Attorney General may not impose a civil penalty on a political committee or a candidate for state office or the principal campaign committee of a candidate for state office for receiving contributions in excess of the contribution limits established in section 3 or 4 of this 2021 Act if, within 10 business days of receiving the nonconforming contribution, the candidate or committee:

(i) Refuses to accept and returns the contribution; or

(ii) Returns all moneys included in the contribution that are in excess of the contribution limits established in section 3 or 4 of this 2021 Act.

(B) If a political committee or a candidate for state office or the principal campaign committee of a candidate for state office is unable to return all or part of a nonconforming contribution to the person that made the contribution, the return of all or part of a contribution under this paragraph may be satisfied by donating the moneys described in subparagraph (A) of this paragraph to an organization recognized as tax exempt under section 501(c)(3) of the Internal Revenue Code.

~~(3)~~ **(4) Except as otherwise provided by this section, civil penalties under this section shall be imposed as provided in ORS 183.745. In addition to the requirements of ORS 183.745,**

the notice shall include:

(a) A statement of the authority and jurisdiction under which the hearing is to be held; and

(b) If the person is an agency, corporation or an unincorporated association, a statement that such person must be represented by an attorney licensed in Oregon, unless the person is a political committee which may be represented by any officer identified in the most recent statement of organization filed with the filing officer.

~~[(4)]~~ (5) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation shall be held by the secretary or Attorney General:

(a) Upon request of the person against whom the penalty may be assessed, if the request is made not later than the 20th day after the date the person received notice sent under subsection ~~[(3)]~~ (4) of this section; or

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

~~[(5)]~~ (6) The person against whom a penalty may be assessed need not appear in person at a hearing held under this section, but instead may submit written testimony or other evidence, sworn to before a notary public, to the secretary or Attorney General for entry in the hearing record. The testimony or other evidence must be received by the secretary or Attorney General not later than three business days before the day of the hearing.

~~[(6)]~~ (7) All hearings under this section shall be held not later than 45 days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection ~~[(4)]~~ (5) of this section shall be held not later than 60 days after the deadline for the person against whom the penalty may be assessed to request a hearing.

~~[(7)]~~ (8) The secretary or Attorney General shall issue an order not later than 90 days after a hearing or after the deadline for requesting a hearing if no hearing is held.

~~[(8)]~~ (9) All penalties recovered under this section shall be paid into the State Treasury and credited to the General Fund.

~~[(9)]~~ (10) In the case of a civil penalty imposed under this section for a violation of ORS 260.407, the person against whom the penalty is assessed:

(a) Is personally responsible for the payment of the civil penalty;

(b) Shall pay the civil penalty from personal funds of the person; and

(c) May not pay the civil penalty from contributions received by a candidate, a candidate's principal campaign committee, a political committee or a petition committee.

SECTION 6. ORS 260.042 is amended to read:

260.042. (1) The treasurer of a political committee shall file a statement of organization with the filing officer. The statement must include:

(a) The name~~[-]~~ and address ~~[and nature]~~ of the committee. The address must be the address of a residence, office, headquarters or similar location where the political committee or a responsible officer of the political committee may be conveniently located.

(b) The name, address and occupation of the committee director or directors.

(c) The name and address of the committee treasurer.

(d) The name and address of any other political committee of which two or more committee directors are also directors of the committee filing the statement.

(e)(A) Whether the political committee will operate as a caucus political committee, a measure political committee, a multicandidate political committee, a political party committee, a recall political committee or a small donor political committee.

(B) A major political party or minor political party may not establish more than one political party committee.

(C) A major political party or minor political party may not establish more than one caucus political committee in the Senate and one caucus political committee in the House of Representatives.

(D) A recall political committee may be formed only after a recall election is certified to the ballot.

~~[(e)]~~ (f) The name, office sought, and party affiliation of each candidate whom the committee is supporting or specifically opposing or intends to support or specifically oppose, when known, or, if the committee is supporting or specifically opposing all the candidates of a given party, the name of that party.

~~[(f)]~~ (g) A designation of any measure that the committee is opposing or supporting, or intends to support or oppose. **Only a political committee that operates as a measure political committee may use amounts received as contributions to support or oppose one or more measures.**

~~[(g)]~~ (h) A statement of whether the committee is a controlled committee.

(2) In addition to the information listed in subsection (1) of this section, the statement of organization must include, or be amended within five business days to include, the name of the financial institution in which the campaign account required under ORS 260.054 is established, the name of the account, the name of the account holder and the names of all individuals who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this subsection except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

(3) A treasurer may designate an individual to receive any notice provided by a filing officer under ORS chapters 246 to 260. The treasurer shall include the name and address of the individual in a statement of organization filed under this section. A filing officer who provides any notice under ORS chapters 246 to 260 to the treasurer of the political committee shall also provide the notice to the individual designated by the treasurer under this subsection.

(4) A treasurer may designate an elector of this state to be liable for any civil penalty imposed under ORS 260.232. The treasurer shall include the name and address of any elector designated under this subsection in a statement of organization filed under this section.

(5) The statement of organization must be filed not later than the date specified in ORS 260.035.

(6) Except as provided in subsection (2) of this section, any change in information submitted in a statement of organization under subsections (1) and (2) of this section must be indicated in an amended statement of organization filed not later than the 10th day after the change in information.

(7) This section does not apply to a political committee that is a principal campaign committee or to a political committee exclusively supporting or opposing one or more candidates for federal or political party office.

(8) As used in this section:

(a) <Caucus political committee> means a political committee:

(A) Established by the caucus of a major political party or a minor political party in the Senate or the House of Representatives;

(B) Established under rules or bylaws created by the caucus by which it was established; and

(C) Controlled by an elected leader of the caucus by which it was established.

(b) <Major political party> means a political party that has qualified as a major political party under ORS 248.006.

(c) <Measure political committee> means a political committee that supports or opposes one or more measures.

(d) <Minor political party> means a political party that has qualified as a minor political party under ORS 248.008.

(e) <Multicandidate political committee> means a political committee that supports or opposes:

(A) One or more candidates; or

(B) All candidates affiliated with a major political party or a minor political party.

(f) <Political party committee> is a political committee that, on a statewide basis:

(A) Supports or opposes one or more candidates; and

(B)(i) Represents a major political party or a minor political party; or

(ii) Is established under the bylaws of a major political party or a minor political party.

(g) <Recall political committee> means a political committee that supports or opposes a person subject to a recall election.

(h) <Small donor political committee> has the meaning given that term in section 2 of this 2021 Act.

SECTION 7. Notwithstanding section 2 (5) of this 2021 Act, a political committee, as

defined in ORS 260.005, that is not organized as a small donor political committee, as defined in section 2 of this 2021 Act, may reorganize as a small donor political committee if, during the previous 24-month period, not less than 90 percent of the total amount of moneys contributed to the political committee were contributed by individuals in amounts not exceeding \$250 per individual donor per calendar year. Any moneys in the bank accounts of a political committee that reorganizes as a small donor political committee under this section shall transfer to the newly organized small donor political committee and may be used in the same manner as any other moneys contributed to the small donor political committee.

SECTION 8. Section 7 of this 2021 Act is repealed on March 31, 2023.

SECTION 9. Sections 10 to 16 of this 2021 Act are added to and made a part of ORS chapter 260.

SECTION 10. As used in sections 10 to 16 of this 2021 Act:

(1) <Election cycle> has the meaning given that term in section 2 of this 2021 Act.

(2)(a) Except as provided in paragraphs (b) and (c) of this subsection, <maximum public match> means the receipt by a candidate for the office of state Senator or state Representative from the Small Donor Elections Fund of an amount of moneys equal to the amount set forth in section 16 of this 2021 Act.

(b)(A) For a candidate for the office of state Senator or state Representative who is running unopposed in the primary election, <maximum public match> means a candidate's receipt from the Small Donor Elections Fund of five percent of the amount set forth in paragraph (a) of this subsection during the period ending on the date of the primary election and:

(i) If the candidate is running unopposed in the general election, five percent of the amount set forth in paragraph (a) of this subsection during the period beginning on the day after the date of the primary election and ending on the date of the general election; or

(ii) If the candidate is not running unopposed in the general election, the total amount of moneys remaining from the amount set forth in paragraph (a) of this subsection after the date of the primary election.

(B) For a candidate for the office of state Senator or state Representative who is running unopposed in the general election, <maximum public match> means a candidate's receipt from the Small Donor Elections Fund of five percent of the amount set forth in paragraph (a) of this subsection during the period beginning on the day after the date of the primary election and ending on the date of the general election and:

(i) If the candidate is running unopposed in the primary election, five percent of the amount set forth in paragraph (a) of this subsection during the period ending on the date of the primary election; or

(ii) If the candidate is not running unopposed in the primary election, 50 percent of the amount set forth in paragraph (a) of this subsection during the period ending on the date of the primary election.

(c) If a candidate has received contributions from a single person in an aggregate amount of more than \$250 during an election cycle but prior to filing a statement of intent under section 11 (1)(a) of this 2021 Act, the maximum public match shall be reduced by the total amount of moneys received in contributions from a single person in an aggregate amount of more than \$250 prior to the candidate filing a statement of intent under section 11 (1)(a) of this 2021 Act.

(3) <Membership organization> has the meaning given that term in section 2 of this 2021 Act.

(4) <Minimum amount of in-state qualifying contributions> means the following amount of qualified small donor contributions from in-state individuals that a candidate must receive in order to participate in the Small Donor Elections Program:

(a) \$10,000 in qualified small donor contributions for candidates for the office of state Senator; or

(b) \$6,000 in qualified small donor contributions for candidates for the office of state Representative.

(5) <Minimum number of in-state qualifying contributions> means the following number of in-state individuals that a candidate must receive qualified small donor

contributions from in order to participate in the Small Donor Elections Program:

- (a) 400 donors for candidates for the office of state Senator; or
- (b) 250 donors for candidates for the office of state Representative.

(6) <Nonmatching small donor contributions> means:

(a) Contributions in an aggregate amount of no more than \$250 per election cycle from a person that is not an individual to a candidate for the office of state Senator or state Representative; or

(b) In-kind contributions to a candidate for the office of state Senator or state Representative that, when combined with nonmatching small donor contributions described in paragraph (a) of this subsection and with qualified small donor contributions, result in an aggregate amount of no more than \$250 from a person per election cycle.

(7)(a) Except as provided in paragraph (b) of this subsection, <qualified small donor contributions> means contributions in an aggregate amount of no more than \$250 per election cycle from an individual to a candidate for the office of state Senator or state Representative.

(b) In-kind contributions are not <qualified small donor contributions.>

(8) <Qualifying period> means the 120-day period that begins on the date a candidate for the office of state Senator or state Representative files a statement of intent to participate in the Small Donor Elections Program.

(9)(a) <Small donor political committee> has the meaning given that term in section 2 of this 2021 Act.

SECTION 11. (1) In order to participate in the Small Donor Elections Program, a candidate for the office of state Senator or state Representative:

(a) Must file a statement of intent with the Secretary of State at any time during the period that begins immediately after the date of a general election and ends on the date 150 days before the date of the next general election;

(b) Must collect at least the minimum amount of in-state qualifying contributions during the qualifying period;

(c) Must collect at least the minimum number of in-state qualifying contributions during the qualifying period;

(d) Must sign an affidavit designed by the Secretary of State by rule stating that the candidate will follow the requirements of the Small Donor Elections program set forth in sections 10 to 16 of this 2021 Act; and

(e) May not have made or accepted a loan in an aggregate amount of more than \$250 to the candidate's campaign since the date of the last general election at the time the candidate files a statement under paragraph (a) of this subsection.

(2)(a) Except as provided in paragraphs (b) and (c) of this subsection, a candidate who satisfies each requirement set forth in subsection (1) of this section shall receive from the Small Donor Elections Fund an amount equal to six dollars for every one dollar in qualified small donor contributions received from an in-state individual, provided that the total amount received by the candidate from the fund does not exceed the maximum public match. The distribution of moneys from the fund shall be done in the manner set forth in section 12 of this 2021 Act.

(b) During the period starting on the day after the date of a general election and ending on the date of the next primary election, moneys provided from the Small Donor Elections Fund under paragraph (a) of this subsection may not apply to more than \$125 of the qualified small donor contributions made by any individual to each candidate.

(c) During the period starting on the day after the date of a general election and ending on the date of the next general election, moneys provided from the Small Donor Elections Fund under paragraph (a) of this subsection may not apply to more than \$250 of the qualified small donor contributions made by an individual to each candidate. The moneys provided from the Small Donor Elections Fund shall apply to all qualified small donor contributions up to \$250 per individual for each candidate who qualifies for the next general election.

(3) In addition to qualified small donor contributions and moneys received from the Small Donor Elections Fund under subsection (2) of this section and section 12 of this 2021

Act, candidates who participate in the Small Donor Elections Program may:

(a) Receive nonmatching small donor contributions from an unlimited number of donors.

(b) Receive unlimited contributions from a small donor political committee.

(c)(A) Receive contributions from a membership organization that does not have an affiliate that is a separate membership organization, if the contributions do not exceed \$250 per member per election cycle.

(B) Receive contributions from a membership organization that has an affiliate that is a separate membership organization, if the contributions do not exceed \$125 per member per election cycle.

(d) Use personal moneys, or moneys raised from any legal source, to establish the candidate's campaign. Moneys used or raised under this paragraph:

(A) May include aggregate amounts in excess of \$250 from any person; and

(B) May not be in an aggregate amount of more than \$6,000 per election cycle.

(4) If a membership organization reports membership numbers, contributions received by the organization and affiliates of the organization to a state or federal agency, the reported data may be used by the membership organization to definitively establish the amount of contributions a candidate who participates in the Small Donor Elections Program may receive from the membership organization.

(5)(a) Except as provided in paragraph (b) of this subsection, contributions received by a candidate who participates in the Small Donor Elections Program may be used in any manner consistent with ORS 260.407.

(b) Moneys received from the Small Donor Elections Fund under subsection (2) of this section or section 12 of this 2021 Act:

(A) Shall be used only for legitimate campaign expenses, as determined by rule by the Secretary of State; and

(B) May not be used to:

(i) Pay salaries for family members of the candidate;

(ii) Make purchases from a business or entity owned by the candidate or the candidate's family;

(iii) Pay for campaign expenditures at a rate greater than fair market value;

(iv) Make a contribution to the campaign of another candidate; or

(v) Make an independent expenditure.

(6) A candidate who participates in the Small Donor Elections Program may not:

(a) Coordinate election activities with any entity that makes independent expenditures related to the candidate, the office the candidate is seeking or the election the candidate is participating in.

(b) Receive contributions that are not authorized by this section.

(c) Receive more than an aggregate amount of \$250 in qualified small donor contributions and nonmatching small donor contributions from a single donor per election cycle.

(d) Make or accept a loan in an aggregate amount of more than \$250 to the candidate's campaign.

(7) A candidate who participates in the Small Donor Elections Program and receives a contribution that exceeds the amount that would constitute a qualified small donor contribution or a nonmatching small donor contribution shall within two weeks:

(a) Return to the person making the contribution the amount contributed that is in excess of the statutory limits; or

(b) Withdraw from the program and return to the Secretary of State for deposit into the Small Donor Elections Fund the total amount of public moneys distributed to the candidate under subsection (2) of this section or section 12 of this 2021 Act, plus interest.

(8)(a) No later than 45 days after each general election, a candidate who participates in the Small Donor Elections Program shall return to the Secretary of State for deposit into the Small Donor Elections Fund any unspent public moneys that were provided to the candidate under subsection (2) of this section or section 12 of this 2021 Act.

(b) In order to ensure the return of unspent public moneys that are required to be

returned under this subsection, the candidate shall:

(A) Keep detailed records establishing the total amount of moneys from the Small Donor Elections Fund and the total amount of moneys from other sources that compose the total amount of moneys deposited into the campaign bank account of the candidate; and

(B) After campaign expenses are paid, return a percentage of the total amount of moneys remaining in the account that is equal to the percentage of the total amount of moneys deposited into the account that came from the Small Donor Elections Fund.

(9) Except as otherwise provided in section 10 (2) of this 2021 Act, a candidate who participates in the Small Donor Elections Program may receive up to 50 percent of the maximum public match during the primary election.

SECTION 12. The Secretary of State by rule shall establish a process for distributing moneys from the Small Donor Elections Fund to candidates who have met all of the requirements set forth in section 11 (1) of this 2021 Act for participation in the Small Donor Elections Program. As part of this process:

(1) The Secretary of State shall certify that a candidate has completed each requirement set forth in section 11 (1) of this 2021 Act.

(2) Except as provided in section 11 (2) of this 2021 Act, upon providing certification under subsection (1) of this section, the Secretary of State shall provide moneys from the Small Donor Elections Fund to the candidate in an amount equal to six dollars for every one dollar in qualified small donor contributions received from an in-state individual, provided that the amount received by the candidate does not exceed the maximum public match.

(3) Following an initial distribution made under subsection (2) of this section, the candidate may file with the Secretary of State additional contribution statements seeking moneys from the Small Donor Elections Fund. Except as provided in subsection (4) of this section, additional contribution statements:

(a) May be filed only after the candidate has received qualified small donor contributions of at least \$1,500 since the candidate last filed a statement.

(b) May not be filed more than one time per week.

(4) During the 30 days immediately preceding the general election, a candidate may file additional contribution statements seeking moneys from the Small Donor Elections Fund without receiving qualified small donor contributions of at least \$1,500.

SECTION 13. (1) A candidate participating in the Small Donor Elections Program who knowingly falsifies campaign records or who knowingly violates any provision of sections 10 to 16 of this 2021 Act:

(a) May no longer participate in the program;

(b) Shall be required to return to the Secretary of State for deposit into the Small Donor Elections Fund the total amount of public moneys distributed to the candidate under sections 11 (2) and 4 of this 2021 Act, plus interest;

(c) Is personally liable for the return of any public moneys that have already been expended; and

(d) Is subject to criminal liability under ORS 260.993 (2) and civil liability under ORS 260.995 (2)(b) for a violation of ORS 260.715 (1). Notwithstanding ORS 260.995 (8), penalties recovered against a candidate for violating any provision of sections 10 to 16 of this 2021 Act shall be paid into the Small Donor Elections Fund.

(2) The Secretary of State by rule shall conduct reasonable audits of participants in the Small Donor Elections Program to ensure the integrity of the program.

(3) A candidate may use the appeal mechanism established in ORS 246.910 to challenge any decision of the Secretary of State relating to the candidate's ability to participate in the Small Donor Elections Program.

(4) A candidate participating in the Small Donor Elections Program may at any time voluntarily withdraw from the program by returning to the Secretary of State for deposit into the Small Donor Elections Fund 100 percent of the total amount of public moneys distributed to the candidate under sections 11 (2) and 12 of this 2021 Act, plus interest.

SECTION 14. (1) Any person may operate both a political committee and not more than one small donor political committee, provided that the person:

(a) Establishes segregated campaign accounts for the political committee and the

small donor political committee.

(b) Does not transfer moneys from the political committee to the small donor political committee. The person may transfer moneys not received under section 11 (2) or 12 of this 2021 Act from the small donor political committee to the political committee.

(c) Does not itself split a contribution from an individual, so that part of the individual's contribution goes to the small donor political committee and part of the contribution goes to the political committee.

(2) Any individual may make a contribution to both a small donor political committee and a political committee that is operated by the same person.

SECTION 15. (1) The Small Donor Elections Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Small Donor Elections Fund shall be credited to the fund. All moneys in the fund are continuously appropriated to the Secretary of State for the purpose of administering sections 10 to 16 of this 2021 Act.

(2) The fund consists of moneys appropriated to the fund by the Legislative Assembly and moneys returned to the fund by candidates who participate in the Small Donor Elections Program in the manner set forth in sections 10 to 16 of this 2021 Act. The Secretary of State may accept grants, donations, contributions or gifts from any source for deposit in the fund.

SECTION 16. (1) The maximum public match described in section 10 (2) of this 2021 Act for the period beginning on the day after the 2022 general election and ending on the date of the 2024 general election shall be:

(a) \$1,000,000 for candidates for the office of state Senator; and

(b) \$700,000 for candidates for the office of state Representative.

(2) Prior to the start of each election cycle, the Secretary of State shall adjust the dollar amounts set forth in this section by the cumulative change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor, or its successor, since the previous election cycle. The adjustments performed under this subsection shall be rounded to the nearest \$10 increment.

SECTION 17. (1) A resident individual taxpayer who files a full-year Oregon individual income tax return may designate that a contribution be made to the Small Donor Elections Fund established in section 15 of this 2021 Act. The resident individual taxpayer shall make the designation by marking the box or filling in the space provided on the return form pursuant to subsection (2) of this section. The amount designated shall be subtracted from any refund due on the return.

(2)(a) The Department of Revenue shall provide, on the face of the full-year Oregon individual income tax return form, a place for resident individual taxpayers to contribute to the Small Donor Elections Fund. The department is not required to add a line to a particular form if this addition would require the addition of a page to the return form.

(b) The area on the return form for making the designation shall provide for:

(A) A checkoff box of \$5, \$10, \$20 or \$50; and

(B) A blank line in which the individual may write in an amount other than an amount designated under subparagraph (A) of this paragraph.

(c) The instructions for the return form shall adequately explain that any amount designated shall be paid to the Small Donor Elections Fund, that the amount designated will decrease the refund of the taxpayer by the designated amount and that the designation is entirely voluntary.

(3) If a taxpayer designates both a contribution to the Small Donor Elections Fund under this section and a contribution pursuant to ORS 305.745, and the refund due the taxpayer is insufficient to satisfy the designated contribution under ORS 305.745, the designation under this section is void and no contribution to the Small Donor Elections Fund is made.

SECTION 18. ORS 305.754 is amended to read:

305.754. (1) A resident individual taxpayer who files a full-year Oregon individual income tax return may designate that a contribution be made to the Oregon Political Party Fund for payment to the major or minor political party designated. The resident individual taxpayer shall

make the designation by entering a code denoting the party and marking the box provided on the return form pursuant to subsection (2) of this section. The amount designated shall be subtracted from any refund due on the return.

(2)(a) The Department of Revenue shall provide, on the face of the full-year Oregon individual income tax return form, a place for resident individual taxpayers to make the designation of a political party provided by this section. The department is not required to add a line to a particular form if this addition would require addition of a page to the return form. All major political parties, as described in ORS 248.006, and all minor political parties, as described in ORS 248.008, shall be listed, with identifying codes, in the instructions to the individual income tax return.

(b) The area on the return form for making the designation shall provide for a checkoff box of \$3. The instructions shall adequately explain that any amount designated shall be paid to the political party of the taxpayer's choice, that the amount designated will decrease the refund of the taxpayer by the designated amount, and that the designation is entirely voluntary.

(3) If a taxpayer filing a full-year Oregon individual income tax return designates more than one political party to receive the contribution, the designation is void and no contribution is made.

(4) If a joint return is filed and only one political party is designated, that political party shall receive a contribution in the total amount designated. If two political parties are designated on a joint return, each political party shall receive a contribution in the amount designated by each joint filer. If more than two parties are designated, the designations are void and no contribution is made.

(5) If an organization that is not a major or minor political party is designated under this section, the designation is void and no contribution is made.

(6) If a designation is void under subsection (3), (4) or (5) of this section, the department shall adjust the return to reflect the amount designated for contribution under this section.

(7) If a taxpayer designates both a contribution to a political party under this section and a contribution pursuant to **either ORS 305.745 or section 17 of this 2021 Act**, and the refund due the taxpayer is insufficient to satisfy the designated contribution under ORS 305.745 **or section 17 of this 2021 Act**, the designation under this section is void and no contribution to a political party is made.

SECTION 19. ORS 305.796, as amended by section 2, chapter 316, Oregon Laws 2019, is amended to read:

305.796. (1) The Department of Revenue shall provide a means by which personal income taxpayers may elect to establish an account under ORS 178.335 within the Oregon 529 Savings Network in the name of a designated beneficiary.

(2) A taxpayer may elect to contribute all or a portion of a refund of personal income tax to an account that has been established under ORS 178.335 by direct deposit to the financial institution managing the account. The amount elected to be contributed by the taxpayer must be at least \$25 and may be applied as a contribution only for the tax year in which the refund is issued.

(3) The election to contribute all or a portion of a refund shall be made on a form prescribed by the department and filed with the taxpayer's tax return for the tax year or at such other time and in such other manner as the department may prescribe by rule. The department shall prescribe by rule the maximum number of accounts to which a taxpayer may elect to contribute a portion of the refund.

(4) The election to contribute all or a portion of a refund may not be changed or revoked.

(5) The election to contribute all or a portion of a refund shall be void, and no portion of the refund may be contributed to an account that has been established under ORS 178.335, if:

(a) The taxpayer's refund is offset to pay amounts owed by the taxpayer; or

(b) The taxpayer's refund is less than the total of the following:

(A) The contribution elected in subsection (2) of this section;

(B) Payments of tax as provided in ORS 316.583 that accompany the return;

(C) All contributions to charitable and governmental entities designated by means of a checkoff as provided in ORS 305.745; ~~and~~

(D) All contributions to political parties designated by means of a checkoff as provided in ORS 305.754[-]; **and**

(E) All contributions to the Small Donor Elections Fund as provided in section 17 of this 2021 Act.

SECTION 20. ORS 260.266 is amended to read:

260.266. (1) Except as otherwise provided by a local provision, a communication in support of or in opposition to a clearly identified candidate must state the name of the persons that paid for the communication.

(2) For the purpose of complying with subsection (1) of this section:

(a) Except as provided in paragraph (b) of this subsection, a communication in support of or in opposition to a clearly identified candidate by a political committee or petition committee must state:

(A) The name of the **principal campaign committee**, political committee or petition committee; and

(B) The names of the five persons that have made the largest aggregate contributions of \$10,000 or more to the committee in the election cycle in which the communication is made.

(b) A communication in support of or in opposition to a clearly identified candidate by an individual[;] ~~or a for-profit business entity [or a candidate or the principal campaign committee of a candidate]~~ must state the name of the individual[;] ~~or for-profit business entity [or candidate]~~.

(c)(A) A communication in support of or in opposition to a clearly identified candidate by a person not described in paragraph (a) or (b) of this subsection must state:

(i) The name of the person; and

(ii) Except as provided in subparagraph (B) of this paragraph, the names of the five persons that have made the largest aggregate donations of \$10,000 or more to the person in the election cycle in which the communication is made.

(B) In identifying persons that have made aggregate donations of \$10,000 or more, a person described in this paragraph may exclude:

(i) Donations received from an affiliated charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code; and

(ii) Donations and grants received from foundations and other persons that may not be used to make a communication in support of or in opposition to a clearly identified candidate.

(d) Notwithstanding paragraphs (a) to (c) of this subsection, a digital communication may state only the name of the person that made the communication if the digital communication includes an active link to a website that prominently displays the additional information required by this subsection.

(3) A person that makes communications in support of or in opposition to a clearly identified candidate must consider an anonymous donation of \$1,000 or more from a single person to be a donation that may not be used to make a communication in support of or in opposition to a clearly identified candidate.

(4)(a) If a person is required to disclose the names of five persons under subsection (2)(a)(B) or (c)(A)(ii) of this section and more than five persons qualify as having made the largest aggregate contributions or donations, the person shall disclose the five applicable persons whose contributions or donations were made closest to the date of initial printing or transmission of the communication.

(b) Except as provided in paragraph (c) of this subsection, the five persons required to be named under subsection (2)(a)(B) or (c)(A)(ii) of this section must be accurate as of 10 days before the most recent payment to print or transmit the communication.

(c) A person that both makes multiple digital communications in support of or in opposition to a clearly identified candidate and uses the method described in subsection (2)(d) of this section to meet the identification requirements of subsection (2)(a)(B) or (c)(A)(ii) of this section, may use one active link to the same website for all digital communications made by the person, provided that the information on the website is accurate as of 10 days before the most recent payment to print or transmit a communication.

(5) This section does not apply to:

(a) Candidates for federal office.

(b) Candidates other than those described in paragraph (a) of this subsection who are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(c) Petition committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(d) Political committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(e) A person that makes independent expenditures and that is exempt under ORS 260.044 from being required to file statements of independent expenditures using the electronic filing system adopted under ORS 260.057.

(f) A communication that is excluded from the definition of <expenditure> under ORS 260.007.

(g) Items of de minimis value relating to a candidate, including but not limited to:

(A) Lawn signs, pins, pens and other similar items;

(B) Skywriting; or

(C) Wearable merchandise.

(h) Any other item that the Secretary of State by rule determines is too small to feasibly include the identifying information required by this section.

(6) The Secretary of State by rule shall prescribe the form of statements required on communications described in this section. Rules adopted under this subsection must ensure that the information required to be included in communications under this section is:

(a) In a font, size and color that are easy for an average person to read, if the communication appears in a print or digital format; and

(b) Clearly audible to the average person, if the communication appears in an audio format.

(7) As used in this section:

(a) <Clearly identified> has the meaning given that term in ORS 260.005 (10)(b).

(b)(A) Except as provided in subparagraph (B) of this paragraph, <communication in support of or in opposition to a clearly identified candidate> means:

(i)(I) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office; and

(II) The electoral portion of the communication is unmistakable, unambiguous and suggestive of only one meaning; or

(ii)(I) The communication involves aggregate expenditures by a person of more than the amount provided in ORS 260.044 (1);

(II) The communication refers to a clearly identified candidate who will appear on the ballot; and

(III) The communication is printed or transmitted to the relevant electorate within the time frame provided in ORS 260.005 (10)(c)(B)(iii).

(B)(i) <Communication in support of or in opposition to a clearly identified candidate> includes but is not limited to communications distributed via print, telephone, radio, television or the Internet.

(ii) <Communication in support of or in opposition to a clearly identified candidate> does not include newspaper editorials, printed advertisements with a fair market value of less than \$500 or communications made via telephone that have a fair market value of less than \$500.

(c)(A) <Donation> means the gift or transfer of moneys or any other item of value to a person subject to subsection (2)(c)(A) of this section, including any membership fees, dues or assessments.

(B) <Donation> does not include moneys or any other item of value received by a person subject to subsection (2)(c)(A) of this section in the ordinary course of a trade or business conducted by the person.

(d) <Election cycle> means the period of time starting on the day after the date of a general election and ending on the date of the next general election.

(e) <Local provision> means a charter provision, ordinance, resolution or other provision adopted by a city, county or other local government.

SECTION 21. (1) No individual or entity may, directly or indirectly:

(a) Require an employee or contractor to make a contribution or independent expenditure to support or oppose any candidate; or

(b) Provide or promise any benefit or impose or threaten any detriment due to a decision by an employee or contractor on whether to make a contribution or independent expenditure to support or oppose a candidate.

(2) Any individual who is subjected to a violation of subsection (1) of this 2021 Act may file a civil action in the appropriate circuit court against the entity alleged to have violated subsection (1) of this 2021 Act. Upon a finding that an entity has violated subsection (1) of this 2021 Act, the complainant shall receive a civil award of not less than \$20,000 plus an award of reasonable attorney fees.

(3) The amount awarded to a complainant under this section is separate from, and in addition to, any additional penalties imposed on the individual or entity under any other provision of law.

SECTION 22. ORS 260.005 is amended to read:

260.005. As used in this chapter:

(1)(a) <Candidate> means:

(A) An individual whose name is printed on a ballot, for whom a declaration of candidacy, nominating petition or certificate of nomination to public office has been filed or whose name is expected to be or has been presented, with the individual's consent, for nomination or election to public office;

(B) An individual who has solicited or received and accepted a contribution, made an expenditure, or given consent to an individual, organization, political party or political committee to solicit or receive and accept a contribution or make an expenditure on the individual's behalf to secure nomination or election to any public office at any time, whether or not the office for which the individual will seek nomination or election is known when the solicitation is made, the contribution is received and retained or the expenditure is made, and whether or not the name of the individual is printed on a ballot; or

(C) A public office holder against whom a recall petition has been completed and filed.

(b) For purposes of this section and ORS 260.035 to 260.156, <candidate> does not include a candidate for the office of precinct committeeperson.

(2) <Committee director> means any person who directly and substantially participates in decision-making on behalf of a political committee concerning the solicitation or expenditure of funds and the support of or opposition to candidates or measures. The officers of a political party shall be considered the directors of any political party committee of that party, unless otherwise provided in the party's bylaws.

(3) Except as provided in ORS 260.007, <contribute> or <contribution> includes:

(a) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money, services other than personal services for which no compensation is asked or given, supplies, equipment or any other thing of value:

(A) For the purpose of influencing an election for public office or an election on a measure, or of reducing the debt of a candidate for nomination or election to public office or the debt of a political committee; or

(B) To or on behalf of a candidate, political committee or measure; [~~and~~]

(b) The excess value of a contribution made for compensation or consideration of less than equivalent value[-]; **and**

(c) An expenditure by a person for a communication in support of or in opposition to a clearly identified candidate or measure that is made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any political committee or agent of a political committee supporting or opposing a measure.

(4) <Controlled committee> means a political committee that, in connection with the making of contributions or expenditures:

(a) Is controlled directly or indirectly by a candidate or a controlled committee; or

(b) Acts jointly with a candidate or controlled committee.

(5) <Controlled directly or indirectly by a candidate> means:

(a) The candidate, the candidate's agent, a member of the candidate's immediate family or any other political committee that the candidate controls has a significant influence on the actions or decisions of the political committee; or

(b) The candidate's principal campaign committee and the political committee both have the candidate or a member of the candidate's immediate family as a treasurer or director.

(6) <County clerk> means the county clerk or the county official in charge of elections.

(7) <Elector> means an individual qualified to vote under Article II, section 2, of the Oregon Constitution.

(8) Except as provided in ORS 260.007, <expend> or <expenditure> includes the payment or furnishing of money or anything of value or the incurring or repayment of indebtedness or obligation by or on behalf of a candidate, political committee or person in consideration for any services, supplies, equipment or other thing of value performed or furnished for any reason, including support of or opposition to a candidate, political committee or measure, or for reducing the debt of a candidate for nomination or election to public office. <Expenditure> also includes contributions made by a candidate or political committee to or on behalf of any other candidate or political committee.

(9) <Filing officer> means:

(a) The Secretary of State:

(A) Regarding a candidate for public office;

(B) Regarding a statement required to be filed under ORS 260.118;

(C) Regarding any measure; or

(D) Regarding any political committee.

(b) In the case of an irrigation district formed under ORS chapter 545, <filing officer> means:

(A) The county clerk, regarding any candidate for office or any measure at an irrigation district formation election where the proposed district is situated wholly in one county;

(B) The county clerk of the county in which the office of the secretary of the proposed irrigation district will be located, regarding any candidate for office or any measure at an irrigation district formation election where the proposed district is situated in more than one county; or

(C) The secretary of the irrigation district for any election other than an irrigation district formation election.

(10) <Independent expenditure> means an expenditure by a person for a communication in support of or in opposition to a clearly identified candidate or measure that is not made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any political committee or agent of a political committee supporting or opposing a measure. For purposes of this subsection **and subsection (3) of this section:**

(a) <Agent> means any person who has:

(A) Actual oral or written authority, either express or implied, to make or to authorize the making of expenditures on behalf of a candidate or on behalf of a political committee supporting or opposing a measure; or

(B) Been placed in a position within the campaign organization where it would reasonably appear that in the ordinary course of campaign-related activities the person may authorize expenditures.

(b)(A) <Clearly identified> means, with respect to candidates:

(i) The name of the candidate involved appears;

(ii) A photograph or drawing of the candidate appears; or

(iii) The identity of the candidate is apparent by unambiguous reference.

(B) <Clearly identified> means, with respect to measures:

(i) The ballot number of the measure appears;

(ii) A description of the measure's subject or effect appears; or

(iii) The identity of the measure is apparent by unambiguous reference.

(c) <Communication in support of or in opposition to a clearly identified candidate or measure> means:

(A)(i) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office, or the passage or defeat of a clearly identified measure; and

(ii) The electoral portion of the communication is unmistakable, unambiguous and

suggestive of only one meaning; or

(B)(i) The communication involves aggregate expenditures of more than \$250 by a person;

(ii) The communication refers to a clearly identified candidate or measure that will appear on the ballot or to a political party; and

(iii) The communication is published and disseminated to the relevant electorate within 60 calendar days before a primary election, 120 calendar days before a general election or 90 calendar days before an election other than a primary election or a general election.

(d) <Made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, a candidate or any agent or authorized committee of the candidate, or any political committee or agent of a political committee supporting or opposing a measure>:

(A) Means any arrangement, coordination or direction by the candidate or the candidate's agent, or by any political committee or agent of a political committee supporting or opposing a measure, prior to the publication, distribution, display or broadcast of the communication. An expenditure shall be presumed to be so made when it is:

(i) Based on information about the plans, projects or needs of the candidate, or of the political committee supporting or opposing a measure, and provided to the expending person by the candidate or by the candidate's agent, or by any political committee or agent of a political committee supporting or opposing a measure, with a view toward having an expenditure made; or

(ii) Made by or through any person who is or has been authorized to raise or expend funds, who is or has been an officer of a political committee authorized by the candidate or by a political committee or agent of a political committee supporting or opposing a measure, or who is or has been receiving any form of compensation or reimbursement from the candidate, the candidate's principal campaign committee or agent or from any political committee or agent of a political committee supporting or opposing a measure.

(B) Does not mean providing to the expending person upon request a copy of this chapter or any rules adopted by the Secretary of State relating to independent expenditures.

(11) <Initiative petition> means a petition to initiate a measure for which a prospective petition has been filed but that is not yet a measure.

(12) <Judge> means judge of the Supreme Court, Court of Appeals, circuit court or the Oregon Tax Court.

(13) <Mass mailing> means more than 200 substantially similar pieces of mail, but does not include a form letter or other mail that is sent in response to an unsolicited request, letter or other inquiry.

(14) <Measure> includes any of the following submitted to the people for their approval or rejection at an election:

(a) A proposed law.

(b) An Act or part of an Act of the Legislative Assembly.

(c) A revision of or amendment to the Oregon Constitution.

(d) Local, special or municipal legislation.

(e) A proposition or question.

(15) <Occupation> means:

(a) The nature of an individual's principal business; and

(b) If the individual is employed by another person, the business name and address, by city and state, of the employer.

(16) <Person> means an individual, corporation, limited liability company, labor organization, association, firm, partnership, joint stock company, club, organization or other combination of individuals having collective capacity.

(17) <Petition committee> means an initiative, referendum or recall petition committee organized under ORS 260.118.

(18) <Political committee> means a combination of two or more individuals, or a person other than an individual, that has:

(a) Received a contribution for the purpose of supporting or opposing a candidate, measure or political party; or

(b) Made an expenditure for the purpose of supporting or opposing a candidate, measure or political party. For purposes of this paragraph, an expenditure does not include:

(A) A contribution to a candidate or political committee that is required to report the

contribution on a statement filed under ORS 260.057 or 260.076 or a certificate filed under ORS 260.112; or

(B) An independent expenditure for which a statement is required to be filed by a person under ORS 260.044.

(19) <Public office> means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.

(20) <Recall petition> means a petition to recall a public officer for which a prospective petition has been filed but that is not yet a measure.

(21) <Referendum petition> means a petition to refer a measure for which a prospective petition has been filed but that is not yet a measure.

(22) <Regular district election> means the regular district election described in ORS 255.335.

(23) <State office> means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, state Senator, state Representative, judge or district attorney.

SECTION 23. Chapter 3, Oregon Laws 2007, is repealed.

SECTION 24. It is the intent of the Legislative Assembly that all parts of this 2021 Act are independent and that if any part of this 2021 Act is held unconstitutional, all remaining parts shall remain in force.

SECTION 25. Sections 2 to 4, 10 to 16 and 21 of this 2021 Act and the amendments to ORS 260.042 and 260.995 by sections 5 and 6 of this 2021 Act become operative on November 9, 2022.

SECTION 26. (1)(a) The Secretary of State may take any action before the operative date specified in section 25 of this 2021 Act that is necessary for the Secretary of State to exercise, on and after the operative date specified in section 25 of this 2021 Act, all of the duties, functions and powers conferred on the Secretary of State by sections 2 to 4, 10 to 16 and 21 of this 2021 Act and the amendments to ORS 260.042 and 260.995 by sections 5 and 6 of this 2021 Act.

(b) No later than January 1, 2022, the Secretary of State shall enact rules necessary to implement sections 2 to 4 and 21 of this 2021 Act and the amendments to ORS 260.042 and 260.995 by sections 5 and 6 of this 2021 Act.

(c) No later than September 1, 2022, the Secretary of State shall revise the manual on campaign finance that is adopted by administrative rule and made publicly available on the secretary's website to ensure that it incorporates and describes the contents of this 2021 Act in a clear and straight forward manner.

(d) No later than September 30, 2022, the Secretary of State shall report to interim committees of the Legislative Assembly responsible for campaign finance on the actions taken by the secretary to implement the provisions of this 2021 Act.

(2)(a) A political committee may take any action before the operative date set forth in section 25 of this 2021 Act that is necessary for the political committee to be in compliance with the requirements set forth in ORS 260.042, as amended by section 6 of this 2021 Act, no later than the operative date set forth in section 25 of this 2021 Act.

(b) The Secretary of State shall reorganize as a multicandidate political committee any active political committee that remains organized to operate as a miscellaneous political committee on March 31, 2021. Any moneys in the bank accounts of a political committee described in this paragraph shall transfer to the newly organized multicandidate political committee and may be used in the same manner as any other moneys contributed to the multicandidate political committee.

(c) The Secretary of State shall by rule establish a process that provides a miscellaneous political committee that was reorganized under paragraph (b) of this subsection with a single opportunity to reorganize as a measure political committee. The process shall ensure that any moneys in the bank accounts of a political committee described in this paragraph transfer to the newly organized measure political committee and may be used in the same manner as any other moneys contributed to the measure political committee.

SECTION 27. This 2021 Act being necessary for the immediate preservation of the

public peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect on its passage. >>.

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