

May 13, 2021

TO: House Committee on Rules  
FR: Charlie Fisher, State Director, Oregon State Public Interest Research Group (OSPIRG)  
RE: HB 2680

OSPIRG is a statewide, grassroots, public interest group that represents thousands of Oregonians.

**OSPIRG opposes HB 2680 in its current form as well as the -1 & -2 amendments.**

As you know, Measure 107, amending Oregon's constitution to allow contribution limits, passed with 78% of the vote, and with at least 60% of the vote in every single county in Oregon. It's likely voters are so uniquely in agreement about this issue because of how stark the role of big money is in our elections. In 2016, 424 large donors gave a total of nearly \$9 million dollars, or on average, \$21,142 per donor. In contrast, approximately 30,000 small donors gave \$2.4 million. So just a small set of wealthy donors out gave all small donors to candidates by almost 4 to 1.<sup>1</sup>

Unfortunately, HB 2680 won't meaningfully alter the dynamic of big money dominating in our elections. While we strongly support setting campaign contribution limits and are especially excited by the prospect of small donor public financing, the loopholes contained in the current bill and amendments means big money will simply be allowed to pass money through new entities.

Most notably, the current construction of membership organizations and small donor committees is likely to merely be a funnel for big money donors and special interests. In the -1 amendment, a membership organization is any non-profit that:

“(c) Is composed of 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.

Membership organizations are then allowed, through a small donor political committee, to give \$25 per member to a candidate. Importantly, the \$25 doesn't have to come from each individual member. Rather, the amount of members is simply a multiplier to determine how much a membership organization can give.

Essentially this would allow a large donor, simply by incorporating a 501(c)(4) organization and getting 4,000 people to sign an online petition “as a condition of maintaining membership in the organization,” to pass through \$100,000 to a candidate without even the transparency that is currently required by Oregon law. Even with the volunteer provision removed, the loophole remains by simply replacing an online petition with a \$1 contribution. Even more concerning, the same donor would be able to give \$1 million to a candidate participating in the public financing program under the same scenario (because the per member limit is \$250 instead of \$25), effectively rendering the public financing program meaningless.

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<sup>1</sup> Big Money in Oregon State Elections, OSPIRG Foundation, 2018.



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As a member-funded organization, OSPIRG understands and wholeheartedly agrees with the principle that everyday people should be able to aggregate small contributions, and as a result, be able to combat the influence of big money and special interests. That's why we support small donor political committees as long as they require money given to be connected to real donors and don't just create a new loophole for big money.

We have other concerns about this bill, but I would refer you to Dan Meek's testimony to outline in detail several other significant flaws.

In conclusion, we urge you to adopt meaningful campaign finance reform this session. Luckily, HB 3343, which this committee heard earlier this session, does meet that bar. Whether by significantly amending HB 2680 to mirror HB 3343 or simply by moving HB 3343, this committee can pass real campaign finance reform that will help make the legislature more representative of our state and give Oregonians faith that their interests and not those of big donors and special interests are being prioritized.