

SB 1561 STAFF MEASURE SUMMARY

Senate Committee On Rules

Prepared By: Leslie Porter, LPRO Analyst

Meeting Dates: 2/10

WHAT THE MEASURE DOES:

Prohibits candidates for state office or principal campaign committee for candidate for state office from accepting contributions in excess of amounts specified and from sources unspecified, and delineates different thresholds for different state offices and from different sources. Defines “small donor committee.” Creates categories of political committees to be registered with the Secretary of State (SOS), prohibits a major or minor political party from establishing more than one legislative caucus political committee in each chamber, and prohibits a person from controlling more than one political committee at once time. Prohibits certain political committees from accepting contributions in excess of amounts specified and from sources unspecified, and prohibits certain contributions made by certain political committees. Establishes Grassroots Donor Election Program (program) and Grassroots Donor Election Fund (fund) to enable candidates for defined state offices to receive specified match on small dollar donations. Limits matching funds. Requires SOS to establish rules for distributing moneys from fund. Establishes Oregon Elections Commission (OEC) to oversee program, and specifies its composition and duties. Requires OEC to report to legislative assembly on actions taken by SOS to implement this 2022 Act. Repeals campaign finance laws established in 2006 (Ballot Measure 47). Sets operative date for certain provisions as November 6, 2024.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Ballot Measure 47 (2006), as adopted by the people, established campaign contribution limits from individuals and banned contributions from corporations and unions. It was designed to be adopted in tandem with Ballot Measure 46 (2006)—a constitutional amendment allowing campaign contributions, which would allow the accompanying changes in statute to be enforced. Ballot Measure 46 was not adopted, which led to the question of whether the language adopted in Ballot Measure 47 (2006) was constitutional. In 2006, the Secretary of State and the Attorney General determined that the provisions in Ballot Measure 47 (2006) could not be enforced and in 2012, the Oregon Supreme Court in *Hazell v. Brown*, 352.Or 455 (2012) concluded that the limits were indeed inoperative.

Ballot Measure 107 (2020), as adopted by the people, permits the enactment of laws to regulate the use of money in political campaigns.

There are three main methods employed by states for regulating campaign finance, which are commonly utilized in combination. These methods are: requiring the disclosure and reporting of campaign contributions and expenditures; setting contribution limits to campaigns; and providing a system for public financing of elections.

According to the National Conference of State Legislatures, Oregon is one of five states with no limits on political campaign contributions, along with Alabama, Nebraska, Utah, and Virginia, and is one of 11 states that impose no limits on individual donors. The passage of Ballot Measure 47 in 2006 technically put contribution limits in Oregon statute, but those limits were deemed not enforceable unless or until the Oregon Constitution was amended or

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interpreted to allow such limits. Ballot Measure 107, which was referred by Senate Joint Resolution 18 (2019) and approved to voters on November 3, 2020, amended section 8, Article II of the Oregon Constitution to permit the enactment of laws to regulate the use of money in political campaigns. The measure specifically authorizes laws or ordinances, enacted on or after January 1, 2016, that require: (1) limits on contributions as long as resources that are necessary for effective advocacy may be gathered; (2) the disclosure of contributions or expenditures made in connection with political campaigns or to influence the outcome of any election; and, (3) the identification of the persons or entities responsible for political advertisements.

As of February 2019, 14 states provide some form of public financing option for campaigns. Each require the candidate to accept public money in exchange for a promise to limit both how much the candidate spends on the election and how much they receive in donations from any one group or individual. Revenue for these programs is generated from a range of sources including income taxpayer check-offs, legislative appropriations, sale of unclaimed property, fees, and surcharges.

Senate Bill 1561 establishes limits on campaign contributions that may be accepted by candidates and political committees and repeals the Ballot Measure 47 provisions from statute. It establishes the Grassroots Donor Election Program, the Grassroots Donor Election Fund, and the Oregon Elections Commission to oversee the program.