IN THE SUPREME COURT OF THE STATE OF OREGON

BRYN HAZELL, FRANCIS NELSON, TOM CIVILETTI, DAVID DELK, and GARY DUELL, JOAN HORTON, and KEN LEWIS, Plaintiffs-Appellants Cross-Respondents, Petitioners on Review,

V.

KATE BROWN, Secretary of State of the State of Oregon; and JOHN R. KROGER, Attorney General of the State of Oregon, Defendants-Respondents, Cross-Respondents, Respondents on Review,

and

CENTER TO PROTECT FREE SPEECH, INC., an Oregon nonprofit corporation, and FRED VANNATTA, Intervenors-Respondents, Cross-Appellants, Respondents on Review.

Court of Appeals A137397

Supreme Court S059245 (control) S059246

APPENDIX TO REPLY BRIEF ON REVIEW OF ALL PETITIONERS ON REVIEW (HAZELL PETITIONERS AND HORTON PETITIONERS)

December 7, 2011

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APPENDIX TO REPLY BRIEF ON REVIEW OF ALL PETITIONERS ON REVIEW (HAZELL PETITIONERS AND HORTON PETITIONERS)

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History

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Direct History

ESELECT TO PRINT, EMAIL, ETC.

▶1 KeyCited Citation: Vannatta v. Keisling, 324 Or. 514, 931 P.2d 770 (Or. Feb 06, 1997) (NO. SC S42506)

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≥ Vannatta v. Oregon Government Ethics Com'n, 347 Or. 449, 222 P.3d 1077 (Or. Dec 31, 2009) (NO. CA A140080, CC 07C20464, SC S057570) ★ ★ ★ HN: 7,18,24 (P.2d)

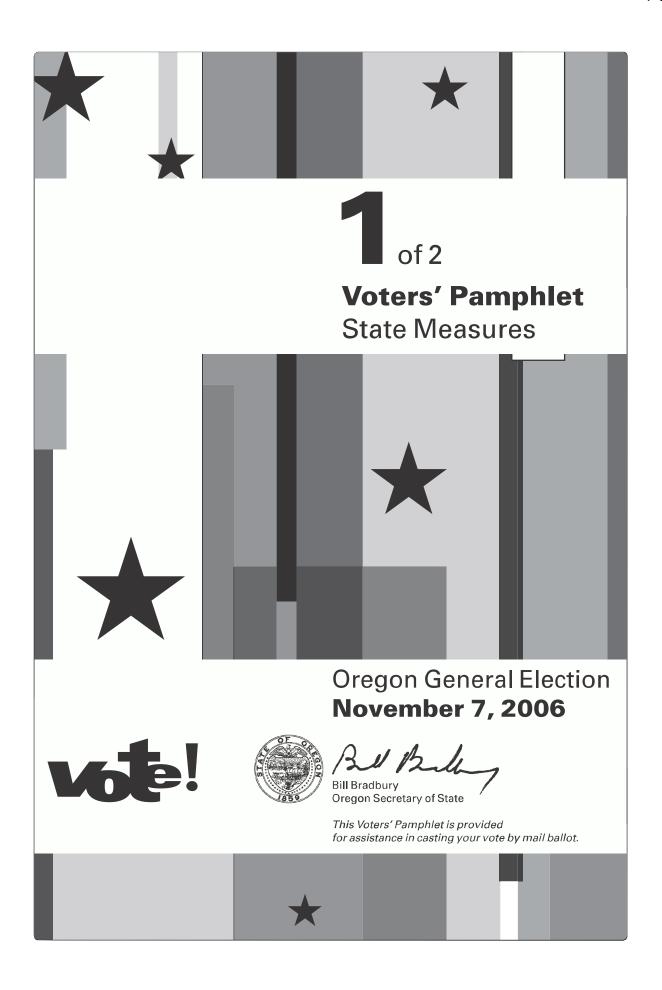
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- C 3 Leppanen v. Lane Transit Dist., 181 Or.App. 136, 45 P.3d 501 (Or.App. May 01, 2002) (NO. A111022) ★ ★ ★ HN: 27 (P.2d)
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Measure 47

Proposed by initiative petition to be voted on at the General Election, November 7, 2006. The information in the shaded area below will appear on your ballot.

Ballot Title

47

REVISES CAMPAIGN FINANCE LAWS: LIMITS OR PROHIBITS CONTRIBUTIONS AND EXPENDITURES; ADDS DISCLOSURE, NEW REPORTING REQUIREMENTS

RESULT OF "YES" VOTE: "Yes" vote limits or prohibits certain contributions and expenditures to candidates, political committees, political parties; limits candidate's spending to own candidacy; adds disclosure, reporting requirements,

RESULT OF "NO" VOTE: "No" vote retains current law, which does not limit contributors, contributions to, or expenditures for state or local public office candidates; maintains existing reporting requirements.

SUMMARY: Current law requires reporting of certain contributions and expenditures, but does not limit contributors, contributions to, or expenditures for public office candidates. Measure limits individual contributions to candidates, political committees, "small donor committees," political parties, with annual cap for all contributions; limits political committee, political party contributions to candidates and each other; allows unlimited contributions by "small donor committees" (accepting only individual contributions not exceeding \$50 annually). Prohibits corporate, union, organizational contributions and expenditures except through political committees funded solely by individuals. Prohibits candidate loans, Limits: candidate's spending to own candidacy; "independent expenditures" (defined) by individuals, political entities, organizations. Establishes: new disclosure, reporting requirements; procedure for increasing measure's limits to comply with state and federal constitutions. Unspent candidate funds revert to state. Other provisions.

ESTIMATE OF FINANCIAL IMPACT: The measure will require \$1,012,020 in state expenditures in the first year, and less than \$100,000 of state expenditures each year thereafter.

This measure has no financial effect on state government revenues.

This measure has no direct financial effect on local government revenue or expenditures.

Text of Measure

The change to the existing Oregon statutes is shown. New language is in **bold**.

Be it enacted by the People of the State of Oregon, Chapter 259 of Oregon Revised Statutes is hereby amended by the addition of the following sections (referred to therein as "this Act"):

The purpose of this Act is to restore democracy in Oregon and reduce corruption and the appearance of corruption by limiting political campaign contributions and independent expenditures on candidate races and by increasing timely public disclosure of the sources of those contributions and expenditures. These limits and disclosure requirements are needed so that corporations, unions, and wealthy individuals do not exercise undue and disproportionate influence over the results of elections and upon the policies and decisions of candidates and public officeholders. Consistent with the U.S. Constitution, this Act applies to campaigns for all public offices in Oregon, except federal offices.

Oregon can make consistent progress in education, health care, economic development, living wage jobs, and natural resource issues, only by curtailing the power of private economic interests to unduly dominate our political process. We must restore fairness in political campaigns and achieve a government that represents the views and needs of all Oregonians instead of allowing only a powerful few to call the tune by providing funds to enable some candidates to overwhelm others.

(1) Findings.

The people, acting in their legislative capacity, find these facts:

- (a) The democratic process has not functioned properly in Oregon, due to the lack of reasonable limits on political campaign contributions and expenditures, including expenditures made independently of candidates, on races for state and local public office. Oregon is one of only five states in the United States with no limits on political campaign contributions. All of the prohibitions, limits, and reporting and disclosure requirements of this Act are reasonable and necessary to curb the undue influence of large contributions and expenditures.
- (b) Because Oregon candidates are now forced to treat campaign fundraising as an "arms race" to be won at all costs, they have become unduly beholden to large contributors and the special interests able to contribute large amounts for their campaigns. Contributions to candidates in contests for statewide public office and for the Oregon Legislature have increased from \$4.2 million in 1996 to \$27.9 million in 2002. Less than 4% of the contributions were in amounts of \$50 or less, and 75% of the money came from only 1% of the contributors.
- (c) Large contributions distort the political process and impair democracy, with these adverse effects:
- (1) Corrupting public officials and causing them to take actions that benefit large contributors at the expense of the public interest;
- (2) Causing public officials to grant special access and accord undue influence to large contributors;
- (3) Significantly impairing the opportunity for voters to hear from candidates who do not accept large contributions and for those candidates to communicate with voters; and
- (4) Fostering the appearance of corruption and undermining the public's faith in the integrity of elected officials and the political process.
- (d) Candidates engage in the money "arms race" due to their accurate perception that expenditures influence the outcome of elections. In contests for the Oregon Senate, the candidate spending the most money won 87% of the races in 2002 and 94% of the races in 2004. The two exceptions in 2002 and the only exception in 2004 were former legislators who still spent an average of \$195,000 each. In contests for the Oregon House of Representatives, the candidate spending the most money won 92% of the races in 2002 and 90% of the races in 2004. The five exceptions in 2002, including two incumbents, spent an average of \$167,000 each.
- (e) Oregon candidates have become overly dependent upon large contributions from a very few donors. In the 2002 legislative races, over 98.5% of Oregon registered voters made no contributions at all. In the primaries, 49% of the contributed money came from 3% of the donors in contributions averaging over \$4,100 each. In

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the general election, 69% of the contributed money came from 6% of the donors in contributions averaging just under \$6,700 each. For the primary and general election campaigns combined, only 3.6% of the funds came from those contributing \$50 or less.

(f) Candidate campaigns spent almost \$15 million in the 2002 contest for Governor alone, easily surpassing the \$2.4 million spent in 1998, the \$6.9 million spent in 1994, and the \$3.2 million spent in 1990. In 2002, each major party candidate spent over \$4 million, and the average spent in the primaries by the four losing candidates taken seriously by the press was \$1.5 million.

(g) Contributions are given also to obtain access to and the favor of whichever candidate is elected. In 2002, almost 40% of money contributed to the legislative leadership political committees came from donors who contributed to both the Republican leadership committees and to the Democratic leadership committees. Nearly one-third of contributions to winning Oregon candidates after the close of the last reporting period in 2000 were first-time contributions from donors who had financially supported the losing candidate in the same race.

(h) Contributions to and expenditures for candidate campaigns in excess of those allowed by this Act are considered to be large contributions and expenditures in Oregon.

(i) Corporations have been granted state-conferred advantages for the purpose of economic gain and the amassing of wealth, including perpetual life, limited liability, and the issuance of securities. The use of corporate treasury funds for political purposes distorts the democratic process, threatens the integrity of the elections process, and overwhelms the voices of ordinary citizens. Corporate spending on politics does not necessarily reflect public support for the political agenda of the corporation. Therefore, corporate use of treasury funds for political purposes should be restricted to the maximum extent allowed by the United States Constitution and the Oregon Constitution.

(j) Examples of the undue influence exercised due to large campaign contributions include:

(1) In 2004, the Oregon Lottery Commission disregarded its own study (showing that Canadian provinces pay video poker outlets commissions of 15% of the money taken in, instead of the 32% paid in Oregon) and continued to allow video poker parlors in Oregon to keep an extra \$85 million per year that should be going to schools. The Commission answers to the Governor and the Legislature, and the Oregon Restaurant Association, whose clients were on the receiving end of the extra \$85 million, contributed over \$1.2 million to their candidacies in the last 3 elections.

(2) Enron Corporation took over PGE in 1997 and in 2001 got from the Oregon Public Utility Commission (OPUC) the largest electricity rate increase in Oregon history – over \$400 million per year. The OPUC also refuses to make PGE pay back any of the more than \$700 million PGE has charged Oregon ratepayers since 1997 for "federal and state income taxes" that in fact neither Enron nor PGE has ever paid. The OPUC answers to the Governor and the Legislature, and PGE/Enron has contributed almost \$400,000 to candidates for the Oregon Legislature and both major political parties.

(k) Even if corporate contributions and expenditures were prohibited, corporations could channel political spending through individuals (in the form of large salaries, bonuses, or other compensation or gifts) and

thereby continue to exercise undue influence over candidates and public officeholders, who would be aware of the sources of the funds.

(I) Allowing unlimited individual contributions accords undue influence to wealthy individuals, regardless of their sources of wealth, who can use that influence to obtain access to public officeholders and benefits from government not available to others. In the 2002 contest for Governor, one individual contributed \$415,000 to the Republican candidate and another \$125,000 to the Oregon Republican Party. The same candidate received another \$200,000 from an individual and another \$150,000 from another individual, with \$100,000 more from that contributor's son. Each of these individual contributors were executive officers of corporations.

(m) Even if all other contributions were prohibited or limited, large contributions by candidates to their own campaigns would also have the adverse effects noted above, because it would allow candidates with personal wealth to overwhelm the efforts of other candidates and compel those candidates to become beholden to large contributors and special interests in order to compete. Statewide campaigns in Oregon governed by the federal contribution limits have been dominated by candidate personal wealth. In 1996, for example, the winning candidate for an Oregon seat in the U.S. Senate, Gordon Smith, spent over \$2 million of his personal wealth, defeating Tom Bruggere, who spent \$1 million of his personal wealth.

(1) Regardless of the source of wealth, allowing unlimited use of personal funds undermines the goal of robust public debate by discouraging non-wealthy candidates from competing for office, thereby depriving voters of the opportunity to support candidates reflecting a full range of views and experiences.

(2) Candidates should be banned from loaning money to their own campaigns, because solicitations of campaign funds to repay the loans would result in direct financial gain for the candidates.

(n) Contribution limits can also be circumvented when adults use minors to make additional contributions. It is thus necessary to further limit campaign contributions and expenditures by persons under 16 years of age and to prohibit them by persons under 12 years of age, as such contributions and expenditures are very likely to be dictated by adults as a means of circumventing the limits.

(o) Candidates should not be allowed to carry over campaign funds from one election cycle to another, because the accumulation of such "war chests" distorts and corrupts the election process by deterring other candidates from competing for public office and thereby unfairly entrenching incumbents in future elections. One example: In 2002, incumbent members of the Oregon Legislature entered their races with over \$785,000 in funds carried over from previous campaigns. Every incumbent Senator running for re-election won, as did every incumbent member of the House of Representatives, except one who switched parties in 2001. Further, the carried over funds do not necessarily reflect the current views of the contributors on the merits of the candidates in the later race.

(p) Reasonable limits on contributions to political committees and to political parties are also necessary to avoid the adverse effects of large contributions noted above and to ensure that contributors cannot evade the limits on contributions to candidate committees by making unlimited contributions to political committees and political parties that support or oppose their

candidates.

(q) Contributions from individuals of fifty dollars (\$50) or less to small donor committees pose little or no risk of corruption, because contributions to these committees will reflect public support for the committee's political positions and will not enable the contributors to exercise undue influence over elected officials or over the results of elections.

(r) In 1994, voters in Oregon approved a statutory ballot measure, Measure 9, establishing contribution limits similar to those in this Act, by an affirmative vote of 72 percent. The Oregon Supreme Court in 1997 found that those limits were not permitted under the Oregon Constitution. This Act shall take effect at a time when the Oregon Constitution does allow the limitations contained in this Act.

(s) When the Measure 9 limits were in effect during the 1996 election cycle, candidates were able to amass sufficient funds to campaign effectively and have their voices rise to the level of public notice, using the contributions allowed by Measure 9. A more recent example shows that the contribution limits in this Act will allow effective campaigns. In 2004, Tom Potter won the election for Mayor of Portland, in a race involving over 350,000 registered voters, while limiting his campaign to contributions from individuals not exceeding \$25 per individual in the primary and \$100 per individual in the general election campaign. The reasonable limits in this Act will increase competition for public office, foster a greater robustness of political debate in Oregon, and alleviate the adverse effects noted above.

(t) Limiting contributions will encourage candidates to spend more time in direct contact with voters in their districts and less time raising funds from large contributors, thus improving their understanding of public needs and policy solutions.

(u) So-called "independent expenditures" supporting or opposing one or more candidates must also be regulated and disclosed, in order to avoid circumvention of the limits on political contributions. In 2004, for example, these "independent expenditures" supporting or opposing federal candidates amounted to more than \$500 million and provided conduits for corporations, unions, and wealthy individuals to circumvent limits on contributions to candidates for federal office.

(v) When campaign contribution limits were in place in Oregon's 1996 election cycle, "independent expenditures" increased from a negligible level to over \$1.85 million, as large donors evaded the contribution limits by funding non-candidate organizations that conducted express advocacy and electioneering campaigns to support or oppose candidates. These large expenditures corrupt the political process in the same manner as large contributions, with the same adverse effects noted above, because (1) candidates and elected officials are aware of the sources of the "independent expenditures" supporting or opposing their candidacies and (2) such expenditures allow the sources to exercise undue influence over the outcome of elections. These influences are even more severe than in the case of direct, publicly-reported contributions to a candidate campaign, because the connections between the candidate and those funding "independent expenditure" campaigns are known to the candidate but far less apparent to the public. Further, the candidate can publicly disavow the independent expenditures, which nevertheless remain effective in influencing voters and in helping the candidate.

(w) The effective exercise of the right to vote requires timely access to understandable information about contributions and expenditures to influence the outcome of elections. Therefore, this Act requires:

(1) More effective reporting of campaign contributions and expenditures, including so-called "independent expenditure" campaigns, which is particularly necessary in light of Oregon's distribution of vote-by-mail ballots weeks prior to election day; and

(2) Effective and prompt disclosure of the identities of large donors in communications to voters by independent expenditure campaigns (including the businesses of those donors).

(x) As all levels of government in the United States are adopting more controls on political campaign contributions and expenditures, the courts are issuing many new decisions on whether the variety of new controls are consistent with the United States Constitution. Drafting and enacting a ballot measure, and completing judicial review of its provisions through all levels of the courts, takes a minimum of several years. If any specific limitation or threshold or time period or age limit in this Act is ultimately found to conflict with the United States Constitution or with the Oregon Constitution, the public interest will best be served by (1) swiftly adjusting the conflicting provision so that the conflict is removed or, if that is not possible, then (2) severing the conflicting provision so that the remainder of this Act remains fully in effect.

(y) Under the limits in this Act, the people of Oregon will have ample opportunities to express their opinions and level of support for or opposition to candidates; to form and fund effective organizations to express political views; and to enjoy the freedoms of speech and association.

2) Definitions

Except for the definitions provided in this section, the definitions in Chapter 260 of Oregon Revised Statutes shall apply to this Act.

- (a) "Business entity" means any corporation, partnership, limited liability company, proprietorship, or other form of business organization which creates an entity which is legally separate from individuals.
- (b) "Campaign" means any communication to voters for the purpose of influencing the outcome of any contest.
- (c) "Candidate" shall have the meaning provided in Chapter 260, except that it includes a public office holder against whom a prospective recall petition has been filed and has not expired pursuant to ORS 249.875.
- (d) "Candidate committee" means any entity or any combination of individuals and/or entities, that receives a contribution or makes an expenditure under the authority of a candidate. Every candidate committee shall register with the Secretary of State prior to receiving a contribution or making an expenditure. A candidate shall control only one candidate committee.
- (e) "Candidate contribution" means any contribution made to support or oppose the nomination or election of any candidate or candidates.
- (f) "Candidate survey" means a publication showing the positions of all candidates for a public office on selected bills, proposals, or issues; provided, that:
- (1) The sponsor timely provides the survey questionnaire and a reasonable time for responding to all candidates for the office; and

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- (2) The publication consists of the questions posed and the responses of all responding candidates and may include descriptions of the bills or proposals and the positions thereon of the organization publishing the survey.
- (g) "Cash" means currency and any other means of payment that does not identify the payor on the written or electronic instrument of payment.
- (h) "Contest" means any electoral contest among one or more candidates for a non-federal public office.
 - (i) Contributions and Expenditures.
 - (1) "Contribution" or "contribute" includes:
- (A) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money, services, supplies, equipment or any other thing of value to or on behalf of, or for reducing the debt of, a candidate, candidate committee, political committee, or political party; and
- (B) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforceable, to make a contribution.
 - (2) "Expenditure" or "expend" includes:
- (A) The payment or furnishing to anyone of money or any thing of value in consideration for any services, supplies, equipment or other thing of value performed or furnished for any reason, or the incurring or repayment of indebtedness or obligation, including the creation of an account payable:
- 1) For the purpose of influencing the outcome of any contest: or
- 2) By or on behalf of, or for reducing the debt of, a candidate, candidate committee, political committee, political party, or independent expenditure campaign; and
- (B) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforceable, to make an expenditure.
- (3) Any expenditure of personal funds by a candidate to influence the outcome of the candidate's contest constitutes both a contribution to the candidate committee and an expenditure by the candidate committee.
 - (4) "Contribution" and "Expenditure" do not include:
- (A) Volunteer personal services (including those of the candidate) for which no compensation is asked or given, including unreimbursed travel expenses incidental thereto:
- (B) Any bona fide news story, commentary or editorial distributed through the facilities of any media organization, including any television or radio station, newspaper, magazine or other regularly published periodical; provided, that the media organization:
- 1) Is not paid by any individual or entity for distributing the news story, commentary or editorial, apart from normal advertisers;
- 2) Is not owned or controlled by one or more candidates, political committees, or political parties; and
- 3) Does not distribute the news story, commentary, or editorial to voters by unsolicited mailings or other means of distribution not sought by the recipient, including any paid advertisement in any other medium.

- (C) Nonpartisan activity solely to encourage individuals to vote or to register to vote, without expressing a preference regarding the outcome of any election;
- (D) Communication to its members, and not to the public, by a membership organization not organized primarily for the purpose of influencing the outcome of contests, including communication of an officeholder scorecard or candidate survey; or
- (E) Production of an officeholder scorecard or candidate survey and its distribution by paper or electronic copies (but not by paid advertising on television or radio) at a cost of less than twenty thousand dollars (\$20,000) for distribution to the public.
- (F) Funds provided to candidate committees by entities of government pursuant to a system of public funding.
- (j) "Coordinated Expenditure" means an expenditure coordinated with a candidate, candidate committee, political committee, or political party (hereinafter "coordinated entity"), including:
- (1) An expenditure made with the cooperation or with the prior consent of, or in consultation with, or at the request or suggestion of, the coordinated entity or its agent;
- (2) An expenditure for the production, dissemination, distribution, or publication of any broadcast or any written, graphic, or other form of political advertising or campaign communication prepared by or for the coordinated entity or its agent;
- (3) An expenditure based on information, provided to the expender by the coordinated entity or its agent, about the coordinated entity's plans, projects, or needs; or
- (4) An expenditure by a person who, in the election cycle during which the expenditure is made:
- (A) Has served as a member, employee, fundraiser, agent, or advisor to the coordinated entity; or
- (B) Has received any form of compensation or reimbursement from the coordinated entity or its agent;
- (C) Has retained the professional services of any person who has provided campaign-related services to the coordinated entity.
- (k) "Dominant contributor" means any individual or entity which contributes more than five hundred dollars (\$500) during an election period to any candidate committee, political committee, political party, or independent expenditure campaign.
- (I) "Election cycle" means the period of time between one biennial general election and the next biennial general election, including any primary or other preliminary elections to select candidates. For any contest which does not occur at a biennial general election, "election cycle" means the period of time 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, and any special election called to fill vacancies.
 - (m) "Election period" means:
- (1) The period beginning the day after a biennial general election and ending on the day of the next biennial primary election; and
- (2) The period beginning the day after a biennial primary election and ending on the day of the next biennial general election; and

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- (3) For any recall election:
- (A) The period beginning the day that the prospective recall petition is approved for circulation and ending on the day that the completed recall petition is filed; and
- (B) The period beginning the day that the recall election is called or declared and ending on the day of the recall election.
- (4) For any special election called to fill a vacancy, the period beginning the day that the election is called or declared and ending on the day of the election.
- (n) "Electioneering communication" means any communication (other than a tax-exempt informational communication) which:
- (1) Is distributed within thirty (30) days before regular ballots are distributed to voters in a primary election or sixty (60) days before regular ballots are distributed to voters in a general election or any other election at which a public office is filled;
- (2) Unambiguously refers to a candidate running in that election or to a political party with at least one candidate running in that election;
- (3) Is distributed so as to include voters who are eligible to vote for the candidate or for one or more of the candidates of the political party referenced in subsection (2) above;
- (4) Is distributed by means of payment to any communication medium, including television, radio, magazine, newspaper, outdoor advertising, direct mail, door-to-door delivery, or any other medium that receives actual or promised payment from the sponsor in excess of one thousand dollars (\$1,000) for distributing one or more such communications; and
 - (5) Either:
 - (A) Includes the candidate's image; or
- (B) Refers to the candidate's prior or current position on a public policy issue (including votes, statements, or actions), or the position of the political party of the candidate, when such position has been raised in any public communication as distinguishing the candidate from others in the campaign; or
- (C) Refers to the candidate's personal history or activities, when such subjects have been raised in any public communication distinguishing the candidate from others in the campaign; or
- (D) Promotes or supports a candidate or political party or attacks or opposes a candidate or political party.
- (o) "Entity" means a corporation, limited liability company, labor organization, association, firm, partnership, joint stock company, club, organization or other combination of individuals and/or organization which has collective capacity.
- (p) "Express advocacy communication" means any communication to voters expressly advocating the election or defeat of one or more clearly identified candidates, including but not limited to expressions such as "vote for," "vote against," "elect," "re-elect," "retain," "return," "choose," "defeat," "reject," "send home," "support," "oppose," "should be in office," "should not be in office," or "deserves your vote."
- (q) "Independent expenditure" means an expenditure, by an individual or entity other than a candidate committee, on express advocacy communication or electioneering communication that is not a "coordinated expenditure" as defined in this Section (2).

- (r) "Independent expenditure campaign" means the use of independent expenditures to engage in express advocacy communication or electioneering communication.
- (s) "Individual" means a citizen or resident alien of the United States entitled to vote in federal elections; however, when this Act expresses a limitation or prohibition, "individual" means any human being.
- (t) "Measure committee" means any entity, or any combination of individuals and/or entities, that receives a contribution or makes an expenditure in excess of two hundred dollars (\$200) in any calendar year to support or oppose a ballot measure. A measure committee shall make no contributions or expenditures supporting or opposing any candidate for public office.
- (u) "Membership organization" means a nonprofit organization having individual members who have paid dues to join or maintain membership in the organization.
- (1) It can be incorporated or unincorporated but cannot be formed or operated for the purpose of commercial enterprise.
- (2) It can transfer to one and only one small donor committee not more than forty percent of the dues paid by each individual member of the organization, with a limit of fifty dollars (\$50) transferred per individual member per calendar year, with such transfers treated as having been contributed by each individual duespaying member
- (3) It shall within thirty (30) days of such transfer notify each dues-paying member of the amount or percentage of dues transferred. Such notice may be provided by regular mail or electronic mail to each affected member or by posting the information on an Internet site. If the amount or percentage of dues transferred is the same for each member or category of members, the posting may state that amount or percentage and need not identify any member.
- (v) "Officeholder scorecard" means a publication showing the votes on selected bills or proposals of all of the members of a government body that takes recorded votes. It can include descriptions of the bills or proposals and the positions thereon of the organization publishing the scorecard. It must include the votes of all of the members of the government body on these bills or proposals.
- (w) "Political committee" means any entity or any combination of individuals and/or entities, that in any calendar year receives a contribution in excess of two hundred dollars (\$200) or makes an expenditure in excess of one thousand dollars (\$1,000) to support or oppose one or more candidates and/or political parties.
- (1) It does not include a candidate committee or any committee which does not support or oppose one or more candidates or political parties, such as a measure committee or committee seeking to place a measure on the ballot (other than a recall measure).
- (2) The following shall be treated as a single political committee: All political committees (except small donor committees) established, financed, maintained, or controlled by:
- (A) For corporations: the same corporation (including all corporate affiliates and subsidiaries) or substantially the same group of corporations;
- (B) For unions: the same labor organization unit, at any level, if the unit has authority to make an independent decision as to which candidates to support or

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oppose; or

- (C) For others, substantially the same group of individuals or entities or combinations thereof.
- (x) "Political nonprofit organization" means a nonprofit corporation or association which:
- (1) Was formed for the express purpose of promoting political ideas;
- (2) Was not formed by one or more business entities or labor unions;
- (3) Cannot engage in business activities except those incidental to its political purpose, such as the sale of campaign buttons;
- (4) Has no shareholders or other individuals or entities affiliated so as to have a claim on its assets or income;
- (5) Cannot serve as a conduit for contributions or expenditures by corporations, other business entities or labor unions.
- (6) Has not, directly or indirectly, accepted any donation of money or any thing of value (including discounts on products or services) from any corporation, other business entity, or labor union.
- (7) Has not received any payment for providing products or services to corporations, other business entities, or labor unions.
- (y) "Political party" means an assembly of electors qualified by law to nominate candidates for election to public office in Oregon. A political party or subdivision thereof shall make its contributions and expenditures by means of a political party finance committee.
- (z) "Political party finance committee" means a political committee maintained by an Oregon political party or subdivision thereof.
- (aa) "Prominently disclose" means that the communication states the following information about the dominant contributor or the self-funded candidate on all communications other than small campaign items: name, primary businesses engaged in, and total contributions and expenditures for the campaign at issue since the most recent biennial general election, with such statement:
- (1) 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; and
- (2) Comprehensible to a person with average reading, vision, and hearing abilities, with any printed disclosure appearing in type not smaller than 8 points, any video disclosure remaining readable on the regular screen (not closed captioning) for a sufficient time to be read by a person with average vision and reading ability, and with any auditory disclosure spoken at a maximum rate of five words per second.
- (ab) "Public office" means any state, county, district, city, or other non-federal governmental office or position that is filled by the votes of electors, not including any political party office.
 - (ac) "Small campaign items" means:
- (1) Small items worn or carried by individuals, such as buttons, pins, stickers, bracelets, and pens;
 - (2) Signs smaller than 6 square feet;
- (3) Any communication where the required prominent disclosure would violate any federal law or regulation; or

- (4) A distribution of one hundred (100) or fewer substantially similar pieces of literature.
- (ad) "Small donor committee" means a political committee established to accept only contributions from individuals and which cannot accept such contributions in amounts exceeding fifty dollars (\$50) per individual per calendar year. The following shall be treated as a single small donor committee: All small donor committees established, financed, maintained, or controlled by:
- (A) For corporations: the same corporation (including all corporate affiliates and subsidiaries) or substantially the same group of corporations;
- (B) For unions: the same labor organization unit, at any level, if the unit has authority to make an independent decision as to which candidates to support or oppose; or
- (C) For others, substantially the same group of individuals or entities or combinations thereof.
- (ae) "Tax-exempt informational communication" is a communication that would otherwise be an electioneering communication but which is undertaken by an organization which:
- (1) Has received a determination letter from the Internal Revenue Service, designating it exempt from taxation under Internal Revenue Service Code § 501(c)(3), and which has maintained such status;
- (2) Does not "participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office," as prohibited by Internal Revenue Service Code § 501(c)(3); and
- (3) Spends less than twenty thousand dollars (\$20,000) in any calendar year to distribute such communications in Oregon.
 - (3) Limits on Contributions relating to Candidates.
- (a) No corporation or labor union shall make any contribution to a candidate committee, political committee, or political party.
- (b) No individual or entity shall make a contribution to a candidate committee, political committee or political party, except as specifically allowed in this Act.
- (c) No candidate committee, political committee, political party, or other entity shall accept a contribution or make a contribution, except from funds obtained from the sources and in accordance with the contribution limits set forth in this Act.
- (d) An individual may make only the following contributions:
- (1) During any election period, to candidate committees, not more than:
- (A) Five hundred dollars (\$500) to support or oppose candidates contesting for any particular statewide public office; and
- (B) One hundred dollars (\$100) to support or oppose candidates contesting for any other particular public office.
 - (2) During any calendar year, not more than:
 - (A) Fifty dollars (\$50) to any small donor committee;
- (B) Five hundred dollars (\$500) to any other political committee;
- (C) Two thousand dollars (\$2,000) in the aggregate to a political party, including all subdivisions thereof; and

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- (D) Two thousand five hundred dollars (\$2,500) in the aggregate to all candidate committees, political committees (including small donor committees), political parties, and political nonprofit organizations.
- (e) A political committee (other than a small donor committee or a political party finance committee) may make only the following contributions:
- (1) During any election period, to candidate committees, not more than:
- (A) Two thousand dollars (\$2,000) to support or oppose candidates contesting for any particular statewide public office;
- (B) Four hundred dollars (\$400) to support or oppose candidates contesting for any other particular public office.
- (2) During any calendar year, not more than two thousand dollars (\$2,000) in the aggregate to a political party, including all subdivisions thereof.
- (f) A small donor committee may contribute to candidate committees, political committees, and political parties any amounts contributed to the small donor committee by individuals in amounts not exceeding \$50 per individual per year.
- (g) A political party finance committee may contribute, during any election period, to candidate committees, not more than:
- (1) Fifty thousand dollars (\$50,000) to support or oppose candidates contesting for any particular statewide public office:
- (2) Ten thousand dollars (\$10,000) to support or oppose candidates contesting for any other particular public office.
- (h) A contribution to a candidate shall be deemed a contribution to the candidate's candidate committee.
- (i) No individual under sixteen (16) years of age shall make:
- (1) A contribution in excess of fifty dollars (\$50) per election period to any candidate committee, political committee, or political party; or
- (2) Aggregate contributions per election period in excess of five hundred dollars (\$500).
- (j) No individual under twelve (12) years of age shall make any contributions.
- (4) Candidate Personal Contributions and Expenditures.
- (a) A candidate may contribute to the candidate's own committee during any election period not more than:
- (1) Fifty thousand dollars (\$50,000), if a candidate for any statewide public office; or
- (2) Ten thousand dollars (\$10,000), if a candidate for any other public office; and
- (3) An additional fifty percent (50%) of these limits, if the candidate is not the incumbent for the public office sought.
- (b) Once a candidate has contributed more than \$5,000 in the aggregate to the candidate's own committee during any election cycle:
- (1) The candidate committee shall report to the appropriate filing officer pursuant to ORS Chapter 260, within three (3) business days of its receipt, every subsequent contribution by the candidate during the election cycle; and

- (2) Every paid communication by the candidate committee shall prominently disclose the amount that the candidate has contributed to the candidate's committee during the election cycle.
- (c) If for any reason the limits in Section (4)(a) are not in effect and a candidate contributes more than the otherwise applicable limit stated in Section (4)(a):
- (1) The filing officer who receives reports under Section (4)(b) shall immediately notify all other candidates for the same particular nomination or public office; and
- (2) All limits on contributions to candidate committees under Section (3)(d)-(g) shall be increased for all other candidates seeking the same particular nomination or public office by the following factor: The amount contributed by the candidate to the candidate's committee divided by the limit stated in Section (4)(a) for that candidate, but not less than a factor of two.
- (d) A candidate shall make no loans to the candidate's own committee.
- (e) If for any reason subsection (d) above is not in effect, then every loan by a candidate to the candidate's own committee outstanding at the close of the election period shall be considered a contribution and shall not be repaid from committee funds.
- (f) All expenditures by a candidate regarding his or her candidacy shall be deemed a contribution to the candidate's committee.
- (5) Expenditures by or Coordinated with Candidates, Political Committees, or Political Parties.
- (a) No candidate committee, political committee, or political party shall expend funds to support or oppose a candidate, except those collected from the sources and in accordance with the contribution limits set forth in Section (3) of this Act.
- (b) A coordinated expenditure shall constitute both (1) a contribution to the relevant coordinated entity by the maker of the expenditure and (2) an expenditure by the relevant coordinated entity.
- (c) A candidate or political party may seek a determination that an expenditure is a coordinated expenditure benefitting an opposing candidate or political party by filing a petition with the Circuit Court of the county in which either candidate resides or in which the expenditure was made. The court shall schedule the petition for hearing not later than the third business day after its filing and service upon the benefitting candidate or party. The courts shall accord such petitions, and appeals therefrom, precedence on their dockets.
 - (6) Independent Expenditures regarding Candidates.
- (a) No corporation or labor union shall make an independent expenditure to support or oppose any candidate or political party.
- (b) No individual or entity shall make an independent expenditure to support or oppose any candidate or political party, except as specifically allowed in this Act.
- (c) An individual in any calendar year shall make no independent expenditures in excess of :
- (1) Ten thousand dollars (\$10,000) in the aggregate; and
- (2) An additional amount not greater than twenty percent (20%) of the amount of candidate personal contributions reported by another candidate for the same public office pursuant to Section (4)(b)(1) of this Act.

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- (d) No individual under sixteen (16) years of age in any calendar year shall make independent expenditures in excess five hundred dollars (\$500), and no individual under twelve (12) years of age shall make any independent expenditures.
- (e) Political committees (including small donor committees) and political parties may make independent expenditures from amounts received in compliance with the contribution limits of Section (3)(d) of this Act.
- (f) A political nonprofit organization may make independent expenditures from its organizational treasury; provided, that:
- (1) It spends only funds contributed to the organization by individuals in amounts that comply with the contribution limits applicable to a political committee;
- (2) It reports these expenditures in compliance with the disclosure requirements of Section (6)(g) and the reporting requirements of Section (6)(h).
- (g) Every communication funded by an independent expenditure campaign which has spent more than two thousand dollars (\$2,000) since the most recent biennial general election shall prominently disclose all contributors who have contributed amounts equal to or more than the fifth largest dominant contributor to the independent expenditure campaign.
- (h) In addition to the reporting requirements set forth in ORS Chapter 260, an individual or entity making independent expenditures during any election cycle in excess of the threshold amount stated in any subsection below shall report to the appropriate filing officer under ORS Chapter 260 its independent expenditures and the sources of funding for those expenditures in the same manner and format as a political committee must report contributions and expenditures pursuant to ORS Chapter 260. The reports shall identify the candidate(s) each independent expenditure sought to support or oppose.
- (1) An individual or entity making or obligating such expenditures in excess of two hundred dollars (\$200) shall report to the appropriate filing officer on the same schedule applicable to a political committee under ORS Chapter 260.
- (2) An individual or entity making or obligating such expenditures in excess of one thousand dollars (\$1,000) shall report to the appropriate filing officer within five (5) business days of making or obligating the independent expenditure which causes this threshold to be exceeded. Subsequent independent expenditures by the same individual or entity shall again be reported within five (5) business days after each time its unreported expenditures exceeds this threshold.
- (3) If the level of unreported independent expenditures exceeds one thousand dollars (\$1,000) during the period within 45 days before an election, the individual or entity shall report to the appropriate filing officer not later than 5 p.m. on the next business day after the making or obligating of the independent expenditure which causes this threshold to be exceeded.
 - (7) Separate Segregated Political Committee Funds.

Nothing in this Act shall prohibit any corporation, other business entity, or labor union from establishing or administering a separate, segregated fund that operates as a political committee; provided, that:

(a) The fund consists solely of voluntary contributions from the employees, officers, shareholders, or members of the organization within the limits established by Section (3) of this Act for contributions by individuals to

- a political committee;
- (b) The fund is registered as a political committee with the appropriate registrar in the State of Oregon and complies with all laws pertaining to such a committee;
- (c) The corporation, other business entity, or labor union uses not more than five hundred dollars (\$500) per year of treasury funds to create and administer the fund, with such expenditures reported as a specifically allowed contribution to the political committee; and
- (d) Any solicitation for contributions directed to employees of a corporation or other business entity states that there is no required contribution and that the employee's response shall not affect the employee's employment, shall not be provided to the employee's supervisors or managers, and shall remain confidential to the extent allowed by law.
 - (8) Reporting of Contributions and Expenditures.
- (a) The Secretary of State shall maintain a system of political campaign contributor handle registration.
- (1) Any individual or entity may apply for a handle, which shall consist of a simple, unique combination of letters and numbers for each registrant, such as the individual's initials and a number.
 - (2) The handle application shall identify:
- (A) An individual applicant by name, residence address, year of birth, occupation, and employer; or
- (B) An entity applicant by name, type of business entity, business address, business phone number, business internet web address (if any), and all types of businesses engaged in.
- (3) Any individual who makes aggregate contributions exceeding five hundred dollars (\$500) in any election cycle shall obtain a handle and provide it to the recipient of any subsequent contribution by that individual.
- (4) Any individual or entity using a handle shall update the applicable information on file with the Secretary of State within thirty (30) days of any change to the information.
- (b) The Secretary of State shall accept campaign contribution and expenditure reports in a simple spreadsheet, database or web-based format that identifies each contribution by date of contribution and either:
- (1) Name, residence address, year of birth, occupation, and employer of the contributor, or
 - (2) The contributor's handle on file.

Such formats shall not require separately calculated subtotals.

- (c) Within five (5) business days of receipt, the Secretary of State shall report and make available on the Internet in an interactive database format all contribution and expenditure reports and all handle registrations. The format shall enable the user to determine the sources and amounts of reported contributions:
- (1) For each candidate committee, political committee, political party, and independent expenditure campaign; and
- (2) From each contributor who has contributed at least five hundred dollars (\$500) during the election cycle.
 - (9) Other Provisions.

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- (a) No individual or entity shall make a contribution or expenditure in any name other than that of the individual or entity which in truth provides the contribution.
- (b) No corporation or other entity or employer shall, directly or indirectly:
- (1) Require any employee or contractor to make any contribution or independent expenditure to support or oppose any candidate; or
- (2) Provide or promise any benefit or impose or threaten any detriment due to the fact that an employee or contractor did or did not make such contributions or expenditures.
- (c) Within sixty (60) days after the close of the election cycle for the office sought, the unexpended funds of a candidate committee at the close of the election cycle for the office sought shall revert to the State of Oregon to offset the cost of producing the Voters' Pamphlet, except for those funds reasonably necessary to pay the obligations of the committee and to terminate its operations. A candidate elected to the Oregon Legislature may deposit not more than ten thousand dollars (\$10,000) of the unexpended funds into the account maintained for legislative office expenses during the legislative session.
- (d) If, in the absence of this Section (9)(d), there would be entered in any court any order impairing the effectiveness of any provision of this Act on the ground that any of the numeric limits or thresholds, percentage limits or thresholds, time periods, or age limits specified in this Act conflict with the United States Constitution or Oregon Constitution, then we, the electors of Oregon, acting in our legislative capacity, hereby:
- (1) Increase the conflicting numeric limit or threshold by increments of one hundred dollars (\$100) as many times as necessary to render it consistent with the constitution at issue;
- (2) Increase the conflicting percentage limit or threshold by increments of one percent as many times as necessary to render it consistent with the constitution at issue:
- (3) Increase or decrease the conflicting time period by increments of one day as many times as necessary to render that time period consistent with the constitution at issue: and
- (4) Decrease the conflicting age limit by increments of one year as many times as necessary to render it consistent with the constitution at issue:
- A prohibition shall be considered a numeric limit of zero.
- (e) If, in the absence of this Section (9)(e), there would be entered in any court any order impairing the effectiveness of any part of this Act on the ground that the United States Constitution or Oregon Constitution requires that any type of individual or entity be wholly or partially exempt from any of the prohibitions or limitations in this Act, then we, the electors of Oregon, acting in our legislative capacity, hereby declare that the provisions of this Act shall be given a narrowing interpretation so as to avoid invalidation of any provision of this Act and to preserve its effectiveness to the maximum degree consistent with the constitutions.
- (f) If, on the effective date of this Act, the Oregon Constitution does not allow limitations on political campaign contributions or expenditures, this Act shall nevertheless be codified and shall become effective at the time that the Oregon Constitution is found to allow, or is amended to allow, such limitations.

- (10) Enforcement provisions.
- (a) The provisions of this Act shall be administered and enforced by the Secretary of State and the Attorney General.
- (b) Each violation of any provision in this Act shall be punishable by imposition of a civil fine which is not less than five times, nor more than twenty times, the amount of the unlawful contribution or expenditure.
- (c) Any person subjected to a violation of Section (7)(d), (9)(b)(1), or (9)(b)(2) shall have a civil cause of action against the violator and shall, upon proof of violation, recover a civil penalty of not less than \$50,000 per incident of violation.
- (d) Any person may file a written complaint of a violation of any of the provisions of this Act with the Secretary of State, who shall immediately refer the complaint to an administrative law judge. The administrative law judge shall hold a hearing on the complaint within fifteen (15) days and shall render a final decision within fifteen (15) days of the hearing. The decision shall include any appropriate order, sanction, or relief authorized by statute. Upon motion, the complainant or defendant shall be granted extensions of up to thirty (30) days or longer upon showing of good cause. The decision of the administrative law judge shall be final and subject to review by the Court of Appeals as an agency decision in a contested case. The decision shall be enforced by the Secretary of State or the Attorney General, If neither of them enforces the decision 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 State of Oregon.
 - (11) Supersession and Severability.

The provisions of this Act shall supersede any provision of law with which they may conflict. For the purpose of determining constitutionality, every section, subsection, and subdivision thereof of this Act, 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 Act 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.

Note: **Boldfaced** type indicates new language; [brackets and italic] type indicates deletions or comments.

Measure 47

Explanatory Statement

Ballot Measure 47 limits or prohibits certain political campaign contributions and expenditures.

The measure applies to all elections for state and local offices but not to ballot measures or candidates for federal offices.

Under this measure:

Corporations and labor unions may not contribute to candidates, political committees or political parties.

Limits on contributions to candidates apply separately to primary and general elections. An individual may not contribute more than \$500 per election regarding candidates for any particular statewide office or more than \$100 per election regarding candidates for any non-statewide office.

Per year, an individual may not contribute more than \$50 to any single small donor committee, more than \$500 to any other single political committee, more than \$2,000 in aggregate to a political party, or more than \$2,500 in aggregate contributions.

A political committee may not contribute more than \$2,000 per election regarding candidates for any particular statewide office or more than \$400 per election regarding candidates for any non-statewide office. During a calendar year, a political committee may not contribute an aggregate amount exceeding \$2,000 to a political party.

A small donor committee accepting only contributions of \$50 or less per individual per year may contribute any amount to candidates, political committees and political parties.

A political party finance committee may not contribute more than \$50,000 per election regarding candidates for any particular statewide office or more than \$10,000 per election regarding candidates for any particular non-statewide office. A political party may have unlimited finance committees.

A candidate may not contribute to the candidate's own campaign more than \$50,000 per election for statewide office or \$10,000 per election for other office. The candidate may contribute 50% more if the candidate is not the incumbent. A candidate who contributes more than \$5,000 to the candidate's own campaign must report all subsequent candidate contributions within three business days and disclose in every paid communication the amount the candidate contributed.

A candidate may not make loans to the candidate's own campaign.

A corporation, labor union or other entity may not make independent expenditures supporting or opposing a candidate or political party.

An individual may not make independent expenditures exceeding \$10,000 per calendar year.

Advertisements funded by independent expenditures must disclose the names and businesses of persons who contributed \$1000 or more toward the expenditure.

Persons whose independent expenditures exceed \$200 per year must report the expenditures.

A corporation or labor union may establish a political committee consisting only of contributions from individuals.

An individual whose contributions exceed \$500 per year must obtain a unique identifier from the Secretary of State and list it with subsequent contributions. The Secretary of State must report these individuals' campaign contributions on the Internet, which committees and candidates must monitor to avoid penalties.

Some unobligated funds of candidate committees may forfeit to the State of Oregon, after each election cycle.

Courts are directed to modify limits if necessary to comply with federal or state Constitutions.

Civil fines and citizen actions to enforce the measure are provided.

Committee Members:Appointed by:Bryn HazellChief PetitionersDan MeekChief PetitionersTina CalosSecretary of StateDuke ShepardSecretary of StateFred NealSecretary of State

(This committee was appointed to provide an impartial explanation of the ballot measure pursuant to ORS 251.215.)

Argument in Favor

VOTE "YES" ON MEASURES 46 AND 47 TO TAKE A STAND AGAINST THE POWER OF SPECIAL INTERESTS IN OREGON GOVERNMENT.

We have a crisis of corruption in our government marked by scandal after scandal and criminal investigations of politicians. It is time for us to clean up this corruption and make politicians accountable to voters instead of big money campaign contributors.

THE PROBLEM

Right now, special interests like electric utilities, the drug giants, the insurance industry, and tobacco companies get their way in Salem by "donating" millions to elect politicians who will owe them favors. Lobbyists and special interests use campaign contributions to pass their pork barrel projects and create tax loopholes—costing us billions of dollars each year.

THE SOLUTION: MEASURES 46 AND 47

Your "YES" vote will level the playing field and make our elections more fair and competitive – so that candidates with the best ideas and best record of public service have a chance to win, even if they are not rich or well connected to wealthy special interest groups and lobbyists. It will ban contributions to candidates by corporations and labor unions and limit contributions by individuals to \$500 in any statewide race.

It will ban "independent expenditures" by corporations and unions, and limit individual "independent expenditures" to as low as the U.S. Constitution will allow (\$10,000 per year, total).

WHEN YOU HEAR THE ARGUMENTS AGAINST THE CAMPAIGN FINANCE REFORM MEASURES, REMEMBER:

- •Opposition is being funded by the corporations and unions that like the present system of unlimited political spending in Oregon, one of 5 states with no limits
- •Our measures were drafted and reviewed by experts in constitutional and election law and put on the ballot and backed by Democrats, Republicans, Greens, and independent voters.
- •The opponents are making false claims, because they want to keep political power for themselves rather than having fair elections that make politicians accountable to the voters.

FairElections Oregon www.fairelections.net (800) 939-8011

(This information furnished by Dan Meek, Harry Lonsdale, Bryn Hazell, Lloyd K. Marbet; FairElections Oregon.)

This space purchased for \$500 in accordance with ORS 251.255. The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

Argument in Favor

Would you like your legislator or county commissioner to care about what YOU have to say?

Would you like your elected officials to work on YOUR behalf, rather than on behalf of the special interests who "donate" enormous amounts of money to the campaigns of politicians running for office?

Would you like to create more power and influence for the people of Oregon and reduce the power of corporations, wealthy individuals and special interest organizations?

My answer to those questions is YES!

ONE MORE QUESTION: Why do corporations INVEST millions of dollars in Oregon candidate races every year? Because their <u>investment</u> pays off in government decisions and legislation that cost the taxpayers and citizens of Oregon but give the corporations huge benefits.

Please join me in voting YES ON 46 AND 47, AND LET'S GET THE CORRUPTING INFLUENCE OF BIG MONEY OUT OF OREGON CANDIDATE ELECTIONS!

(This information furnished by Bryn Hazell.)

This space purchased for \$500 in accordance with ORS 251.255. The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

Argument in Favor

End Mad Cash Disease Vote YES on 46 and 47!

Oregon has **no** restrictions on contributions to candidates. Corporations, not people, mainly fund candidates. Running for office is too expensive for the ordinary citizen. Our elections suffer from Mad Cash Disease!

Measure 47 limits contributions & independent expenditures. The measure:

- •Applies to all **donors**, whether they live in Oregon or outside Oregon.
- •Applies to all candidates running in Oregon.
- •Bans ALL contributions from corporations and unions.
- •Limits contributions from individual people.
- •Limits independent expenditures made on behalf of a candidate.
- •Requires that ads paid for with independent expenditures list the names of the **top five donors.**
- •Permits the creation of Small Donor Committees (SDCs) allowing unions and citizen groups to fund candidates.

Small Donor Committees

Any group or union can form a SDC, which may contribute to candidates or use independent expenditures to advocate for or against candidates.

A SDC may not donate or spend more than \$50 per member.

A corporation cannot create a SDC, but its management can. However, they can only form one SDC, not one for each corporate subsidiary. SDC funds must come from voluntary contributions not exceeding \$50 per member. Corporate SDCs cannot use existing corporate funds for donations or expenditures.

A union may create a SDC for each of its separate decision-making bodies. Unions may use up to \$50 per union member from **already existing funds**. Union members wouldn't be required to donate any additional funds.

Historically corporations have outspent unions five to one.

The ratio is even worse for environmental and other citizen groups.

Such groups will never, ever be able to raise the amount of money that corporations can.

Banning corporate contributions and using SDCs gives these groups a chance for real participation in the process of electing our representatives.

Let's activate a grassroots political process! Vote YES on 47!

David Delk, Joan Horton Co-chairs Alliance for Democracy, Portland www.afd-pdx.org

Official 2006 General Election Voters' Pamphlet

(This information furnished by David Delk, Joan Horton; Alliance for Democracy, Portland.)

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Argument in Favor

Citizens for the Public Good in Jackson County say **CAMPAIGN FINANCE REFORM IS GOOD FOR OREGON!**

We believe the quality of life in our state is increasingly eroded by big money influencing politics. Our health care, education, safety, and environment—are all at

Our political system has become corrupted by endless money spent on political campaigns, especially on attack ads and information meant to deliberately mislead the public. Especially galling are the out-of-state corporations—energy companies, pharmaceutical and chemical industry giants, HMO's, and insurance companies—that have literally spent millions of dollars on politics in Oregon. This has resulted in a state government that often caters to these and other deep-pocketed special interests, not to the needs of average citizens.

Unless campaign finance reform Measures 46 and 47 are passed in November, this problem will only worsen. Why? Because Oregon is one of only five states with NO limits or restrictions on campaign spending.

Measures 46 and 47 must both be passed, because they work together. They ensure:

- A LEVEL PLAYING FIELD IN POLITICS. Individual Oregonians will have the freedom to contribute to campaigns of their choice, but with fair limits on contributions. No donations will be allowed by corporations or labor
- OREGON'S POLITICAL ISSUES WILL BE DECIDED BY OREGONIANS. With fair contribution limits in place, Big Money—including out-of-state--will not have an undue advantage over average citizens in our government.
- **CAMPAIGN SPENDING LIMITS WILL FOSTER DEMOCRACY**, and encourage more folks to run for office who are publicly-spirited and who don't pander to big donors.

We deserve a better government. Measures 46 and 47 are a major step to having one. JOIN US IN VOTING YES ON MEASURES 46 & 47!

Jackson County Citizens for the Public Good Steering Committee

Avis Adee Robert Altaras Gerald Cavanaugh Michael Dawkins Marshall Fox Becky Hale Irene Saikevych

(This information furnished by Irene Saikevych, Avis Adee, Robert Altaras, Gerald Cavanaugh, Michael Dawkins, Marshall Fox, Becky Hale; Jackson County Citizens for the Public Good.)

This space purchased for \$500 in accordance with ORS 251.255. The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

Argument in Favor

WHO IS BEHIND THE CAMPAIGN **FINANCE REFORM MEASURES?**

MEASURES 46 AND 47

It's an All-Oregon Effort of Thousands of Volunteers and Donors and Dozens of Public Interest Groups

Measures 46 and 47 are completely home-grown

FairElections Oregon is a coalition of Oregon groups and people working on campaign finance reform for 8 years. We spent over 18 months gathering over 280,000 signatures for these measures. We benefitted from over 1,000 volunteer, unpaid circulators and over 1,300 donors. All of our volunteer circulators were Oregonians, and 99.99% of our funding came from residents of Oregon.

We accepted no money from any: corporations, unions, or out-of-state groups or organizations

Our efforts were greatly assisted by contributions from these Oregonians:

Harry Lonsdale, retired President of Bend Research, Inc., a high-tech company located in Bend

Dan Meek, public interest attorney in Portland

William Boyer, retired professor of philosophy living in Sisters, who passed away earlier this year

Our "out-of-state" supporter was Public Action for Clean Elections (P.A.C.E.)

THESE OREGON GROUPS SUPPORT **MEASURES 46 AND 47:**

Sierra Club of Oregon OSPIRG (Oregon State Public Interest Research Group) **Alliance for Democracy Physicians for Social Responsibility Pacific Green Party Democratic Party of Clackamas County Oregon Gray Panthers Northwest Progressive Community Health Care for All Oregon Universal Health Care for Oregon** Tim Hermach, President, Native Forest Council, Eugene, OR 97402, 541-688-2600 Jackson County Citizens for the Public Good Lloyd K. Marbet, Don't Waste Oregon Women's International League for Peace and Freedom **Utility Reform Project** First Unitarian Church, Economic Justice Action Group

FairElections Oregon www.fairelections.net info@fairelections.net

(This information furnished by Elizabeth Trojan, FairElections Oregon.)

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Argument in Favor

MEASURE 47 LIMITS AND REVEALS 'INDEPENDENT EXPENDITURES' BY SHADOWY GROUPS RUNNING SMEAR CAMPAIGNS

Stop the Negative Attack Ads That Never Identify Their Funders, Like Out-of-State Corporate **Executives and Gambling Interests**

Some corporations, unions, and even individuals funnel their money into "independent expenditure" campaigns, usually attacking <u>opponents</u> of the candidates they like.

These negative ads are very effective, because they smear the opponent but let the candidate himself stay "above the fray" and deny any connection to the attack ads.

In Oregon's 2006 primary, Nevada businessman Loren Parks contributed \$713,000 to the Kevin Mannix campaign for Governor. He also spent \$170,000 of "independent expenditures" to attack the other major Republican candidate, Ron Saxton. But Saxton was helped by the \$820,000 "independent expenditure" negative campaign, funded by the gambling operations of the Grand Ronde Tribes, against Mannix and against Ted Kulongoski (because they do not oppose a new casino closer to Portland than the Tribe's casino).

None of these attack ads identified who was paying for them.

Measure 47 bans all "independent expenditures" by corporations, unions, and other entities and limits individuals to "independent expenditures" of \$10,000 per year, total, on all races for state or local public office in Oregon. It also requires:

- Every advertisement (TV, radio, newspaper, billboard, postcard, etc.) funded by "independent expenditures" must prominently disclose the top 5 contributors to the campaign, their businesses, and the amounts contributed; and
- 2. Anyone making independent expenditures over \$200 must publicly report the expenditures in the same manner and schedule as required for a registered political committee in Oregon.
- 3. All campaign finance information will be almost immediately available on the internet.

Voters should know who is funding the attack ads and how much they are spending.

Join the Rural Organizing Project, Oregon Gray Panthers, Physicians for Social Responsibility, Health Care for All Oregon, State Senator Charlie Ringo, First Unitarian Church Economic Justice Action Group, and others to:

Vote YES on Measure 47

(This information furnished by Ruth Duemler, Universal Healthcare for Oregon: Andrew Kaza.)

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Argument in Favor

VOTE YES ON MEASURES 46 & 47!

The FACTS on CAMPAIGN CASH

- Under current campaign law, Oregon is one of only five states in the nation where any special interest can contribute any amount of money (literally any amount of money), to any state or local candidate.
- It now typically costs over \$500,000 to win a contested seat in the State Senate and over \$250,000 to win such a seat in the State House of Representatives.
- As reported by The Oregonian "Nine of the 10 most frequent visitors to legislative leaders [in 2005] represent large campaign donors."

The strength and genius of our system of government is the equation of "one person equals one vote". That core principle

is now threatened by a government of, by and for a very small number of very large contributors. We believe it is time to make people and ideas more important than money in our politics. Let's pass Measures 46 & 47 and put a stop to the "pay to play" system we have now.

Join us in voting YES for Campaign Finance Reform.

YES on 46 & 47

www.fairelections.net

(This information furnished by Norman L. Riddle, Elizabeth A. Steffensen, David Sonnichsen.)

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Argument in Favor

WE PASSED CAMPAIGN FINANCE REFORM IN 1994 NOW LET'S MAKE IT STICK!

YES on 46 and 47

Oregonians in 1994 adopted a statewide initiative for strict limits on political campaign contributions, by a YES vote of over 72%. But the Oregon Supreme Court in 1997 struck down that statute, deciding that the existing Oregon Constitution does not allow any limits on political spending.

Now we can pass Measures 46 and 47 and make it stick!

Measure 46 is a one-sentence amendment to the Oregon Constitution to allow limits on political contributions and spending. Measure 47 then provides a comprehensive system of campaign finance reform for all state and local public offices in Oregon and restores the limits we passed in 1994.

Measure 47 bans all corporations, labor unions, and other entities from making contributions in candidate campaigns for state or local offices. It allows any individual (qualified United States voter only) to contribute up to \$2,500 per year to any combination of the following:

- "Candidate Committees":
 - \$500 in any statewide primary or general election race (governor, attorney general, secretary of state, treasurer, labor commissioner, superintendent of education, Oregon Supreme Court justice, or appeals court judge);
 - \$100 in any non-statewide primary or general election race (state legislature, county commission, city council, etc.);
- "Small Donor Committees" each receiving \$50 or less from the person, per year;
- "Political Committees" each receiving \$500 or less from the person, per year; and
- \$2,000 to any political party, per year.

Political committees can use these funds to support or oppose candidates but may not directly contribute more than \$2,000 to a statewide candidate or \$400 to a non-statewide candidate. Small Donor Committees and political parties can use funds contributed within these strict limits to support or oppose candidates.

Measure 47 says that candidates should not receive big money from corporations and wealthy individuals but instead should seek smaller contributions from a broader base of supporters.

(This information furnished by Laura Etherton, Oregon State Public . Interest Research Group; Eulia Quan Mishima, FairElections Oregon.,

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Argument in Favor

Vote "YES" on Measures 46 and 47 and help level the playing field in Oregon politics.

Measures 46 and 47

The Oregon Campaign Finance Reform Initiatives

Right now we are presented with a rare opportunity to clean up government by making a positive change in the way political campaigns are run in our state.

Under current campaign law, Oregon is one of only a handful of states where any special interest can contribute any amount of money, to any state or local candidate. The current system provides no way to curb the overwhelming influence of big money donors in politics. The result-special interests get sweetheart deals at the public's expense.

Enough is enough. It's time for Oregon to join states like Colorado and Montana that have already enacted successful and tough campaign finance reform initiatives

Help level the playing field in Oregon politics.

Vote "YES" on Measures 46 and 47.

(This information furnished by Tyrone Reitman, Stuart Henderson, Shaun Cook, Loring Harkness.

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Argument in Favor

We Oregonians have gotten together to express our enthusiastic support for:

MEASURES 46 AND 47:

OREGON'S CAMPAIGN FINANCE REFORM INITIATIVES

Charlie Ringo, Oregon State Senator Ronald A. Buel **Kenneth Lewis** Joan Horton, Co-Chair, Alliance for Democracy, **Portland** Teresa Keane Courtney Scott, Pacific Green Party Andrew Kaza FairElections Oregon Edwin B. Parker Ruth C. Duemler Andrew Harris, MD Oren Glick **Barbara Kemper** Paul & Lee Dayfield Tomm H. Pickles Brian C. Setzler, CPA Seth E. Purdy Kellee Purdy Robert A. Steinegger Lloyd K. Marbet

Dolores Hurtado Gisela S. Ray Don Baham Michael Wilson

By the way, if you see Measure 46 in this Voters' Pamphlet, it means that the Oregon Supreme Court has ruled that it is a valid amendment to the Oregon Constitution.

(This information furnished by Dan Meek.)

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Argument in Favor

OREGON WORKERS ARE VICTIMS OF SPECIAL INTEREST CAMPAIGN CONTRIBUTIONS

Too often, the safety and welfare of Oregonians take a back seat to the wishes of corporate political contributors. For that reason

Injured Workers' Alliance supports Ballot Measures 46 and 47.

Since 1998, our statewide advocacy organization has fought for Oregonians on issues such as workplace safety and access to healthcare. During that time, we've witnessed the tremendous power of insurance companies and their hired hands, resulting in harm to Oregonians. During the 2002 and 2004 election cycles, insurance companies alone contributed over \$850,000 to Oregon candidates!

Insurance companies have massive political influence! That influence has destroyed thousands of lives.

It's been well known in Salem for at least 15 years that independent medical examinations too often are biased, <u>fraud-ridden</u>, and that <u>physical harm</u> is inflicted during exams. Known as IME's, these exams are routinely used by insurance companies to deny medical treatment. Many examiners don't even treat people; they only provide opinions. They're sometimes paid \$1,000 or more per hour with little overhead.

Attempts at warranted, meaningful reforms have been repeatedly stopped cold by special interests. What has become law is sorely inadequate.

A few days before the 2005 legislative session began, a political committee formed by independent medical examiners gave money - a portion of the fat fees they received from insurers - to the most powerful members of the Oregon House. Their goal was to kill IME reform legislation - perhaps to even prevent a public hearing. These contributions came soon after the release of a state-conducted study that reinforced other evidence critical of the examinations. The money contributed included \$5,000 to then-State Representative Dan Doyle (R-Salem), later convicted of campaign finance fraud for collecting, and then pocketing, campaign contributions.

> Join worker advocates in making democracy work in Oregon.

Please vote YES on Measures 46 and 47.

Learn more about Injured Workers' Alliance at www.lnjuredWorker.org

(This information furnished by Ernest Delmazzo, Injured Workers' Alliance.)

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Argument in Favor

DECLARE YOUR INDEPENDENCE FROM BIG MONEY PARTISAN POLITICS

STEP ONE: VOTE YES ON MEASURES 46 AND 47.

MONEY TALKS. BIG MONEY TALKS SO LOUDLY THAT IT SHOUTS DOWN YOUR VOICE. CORPORATE LOBBYISTS HAVE "PERSUADED" YOUR ELECTED REPRESENTATIVES TO INCREASE TAX BURDENS ON YOU--WORKING PEOPLE AND FAMILIES--WHILE CORPORATE TAXES HAVE GONE WAY DOWN.

Partisan Gridlock in Salem means we can't get campaign finance reform, affordable health care, common sense solutions for the common good. The current two-party system is neither representative nor democratic. Special interests and the politicians in power want to keep it that way.

THE FACTS: Measure 46 is a one-sentence amendment to the Oregon Constitution that allows limits on political spending. The legislature cannot overcome the will of the people by a mere majority vote. This make sense. It's the kind of common sense solution that independent-minded Oregonians want.

Measure 47 is a statute. It bans special interests from bank-rolling state and local candidates. Individual donations are capped at \$2500. Similar laws and even lower limits are in place in many states. That's fair. That's why special interests, politicians, and some secretive "groups" which do not disclose their membership or sponsors, are opposed to it.

STEP TWO: AN INDEPENDENT PARTY FOR OREGON.

Are you tired of partisan bickering in Salem?

Fed up with political deals instead of leadership?

Insulted by expensive media campaigns fueled by big money/out of state money?

One of the growing number of Oregon voters who says "Unaffiliated" when asked to register for a political party?

YES? THEN YOU'RE AN INDEPENDENT OREGONIAN!

Help form an Independent Party for Oregon. Not run by big bucks from the left <u>or</u> right, but voter owned and operated by the rest of us.

Independent Oregon www.Indpartv.com

(This information furnished by Linda Williams, Independent Oregon.)

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Argument in Favor

* Vote * YES * On * 46 * & * 47 *

JUST DO IT!

"One of the most consistent reactions in politics is the unholy uproar that follows whenever you try to take away special privileges. Makes no difference how obvious the unfairness is, those who have been favored over others by the system invariably feel entitled to that favoritism. It is theirs by right, by heritage, tradition, and divine providence, and if you try to take it away, you are in for the fight of your life. The under privileged in this country can still raise a fair political stink on occasion, but it is nothing compared with the titanic stench that erupts when the over privileged are invited onto a level playing field." – Molly Ivins, in

Shrub, The Short but Happy Political Life of George W. Bush. 10/2000

We are confronted with great challenges affecting the viability of our communities and the well being of the environment and its life support systems. To effectively address the changes that need to be made we must end the corruption of our political system.

Vote YES ON 46 & 47

You can stop the corrupting influence of big money in our election process. The evidence in support of doing this is so overwhelming that it is hard to believe we have allowed ourselves to be bombarded by its public display. Like the Emperor with no clothes, corruption parades before us, compromising our government and threatening the very fabric of life. Even more tragic, in passively accepting this reality, we become accomplices in perpetuating its injustice.

YOU CAN END LEGALIZED BRIBERY

You don't have to wait for the Legislature to do it!

Remember how they got elected!

Join Tim Hermach and Lloyd K. Marbet and the League
Of Uncompromising Voters

Vote YES on 46 & 47

"None are more hopelessly enslaved than those who falsely believe they are free."

-Johan W. von Goethe, 1749-1832

www.luvote.org

(This information furnished by Tim Hermach, Lloyd K. Marbet; League Of Uncompromising Voters (LOUV).)

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Argument in Favor

Join the League Of Uncompromising Voters Vote YES on Measures 46 and 47

Now for the Joke:

Once upon a time, God was missing for six days. Eventually, Michael the archangel, found him, resting. "Where have you been?"

God sighed a deep sigh of satisfaction and proudly pointed downwards through the clouds, "Look, Michael. Look what I've made."

Archangel Michael looked puzzled and said, "What is it?" "It's a planet," replied God, "and I've put Life on it. I'm going to call it Earth and it's going to be a great place of balance."

"Balance?" inquired Michael, still confused.

God explained, pointing to different parts of earth.

"For example, northern Europe will be a place of great opportunity and wealth while southern Europe is going to be poor.

"Over there I've placed a continent of white people and over there is a continent of black people," God continued, pointing to different countries,

"This one will be extremely hot while this one will be very cold and covered in ice." $\,$

The Archangel, impressed by God's work, then pointed to a land mass and said, "What's that one?"

"Ah," said God. "That's Oregon, the most glorious place on earth. There are beautiful beaches, deserts, streams, hills, and forests. The people from Oregon are going to be handsome, modest, intelligent and humorous and they are going to be found traveling the world. They will be extremely sociable, hardworking and high achieving, and they will be known throughout the world as diplomats and carriers of peace."

Michael gasped in wonder and admiration but then proclaimed, "What about balance, God? You said there would be balance!!!"

God smiled, "Wait until you see the legislators that I put in Salem, unless the people of Oregon have the wisdom and moral integrity to pass Measures 46 and 47."

Escape the Wrath of God....Vote YES on 46 and 47! www.luvote.org

(This information furnished by Tim Hermach, Lloyd K. Marbet; League Of Uncompromising Voters (LOUV).)

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Argument in Opposition

WITHOUT TERM LIMITS, CAMPAIGN FINANCE REFORM COULD HELP INCUMBENTS

Measures 46 and 47, together, would put in place a system of strict limits on political campaign contributions and spending for or against candidates for state or local public office in Oregon.

Oregon is one of the few states without a limit on political contributions. Yes, corporations and unions spend way too much money on candidates with the expectation that government favors will be returned. But, while campaign finance reform may seem appealing on the surface, it would serve to prolong the domination of Oregon's government by career politicians.

When legislators remain in office for decades, they gain such an advantage in "name recognition" that require opponents, invariably, to spend more to beat them. When the ability to raise and spend money is limited, challengers suffer. It takes a lot of money to overcome incumbency advantages regardless of the issues in the race.

Measure 47 even limits how much personal money a candidate can spend on his own campaign. In limiting challengers to spending \$75,000 of their own money, Measure 47 could prevent challengers from overcoming the name recognition of long-time incumbents.

If we adopt Measure 45 in this election, which places Term Limits on state legislators, then we would not need to let challengers raise and spend large amounts to defeat the career politician incumbents – because there would not be any. Under Term Limits, no one could serve more than 6 years in the Oregon House and 8 years in the Oregon Senate or 14 years in total

By reducing the power of incumbency and preventing lobbyists from building protected relationships, Term Limits would also alleviate many of the ills targeted by Measures 46 & 47 without limiting political speech.

(This information furnished by Eric Winters.)

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Argument in Opposition

This measure was no doubt meant to control the spread of special interests and make elections only about the people and ideas. Well it doesn't do that. Measure 47 actually will decrease the amount of ideas that can be heard during an election. It will make it easier for the very rich to spread their message and it will tie the hands of membership-driven grassroots organizations.

This measure will restrict the way organizations can communicate information about elections and their support or opposition of candidates and ballot measures. Single extremely wealthy individuals can still spend as much money as they want to shove their ideas down the throat of the public with no restrictions. As a result, groups with tens of thousands of members will have their hands tied but one rich person has free reign under this measure.

This measure does much more that make it harder for candidates to raise money — it also goes after political non-profits. This measure will cripple groups from all parts of the political spectrum. This measure will also restrict how much people will be able to give to political non-profits. No one will be able to donate over \$500 to any political non-profit. It doesn't matter if you agree with an issue or not — do we really want to tie the

hands of people from supporting the causes that they care deeply about?

Vote NO. This measure isn't the way to limit "special interest" influence in state government. We at AFSCME support lobby reform, more stringent reporting requirements and voterowned-elections. However, we can't support a measure that will tie the hands of grassroots membership groups and let the very rich do as they please.

(This information furnished by Joe Baessler, Oregon AFSCME

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Argument in Opposition

Measure 47: Misguided and Harmful

Measure 47 unfairly restricts our ability to participate in politics. We are 20,000 educational professionals working in our schools and colleges all over Oregon. When political proposals have an impact on education, we want to be able to tell you about it. Measure 47 would restrict our ability to speak out about the effect political proposals will have on our schools.

Measure 47 gives an unfair advantage to rich donors and wealthy individual candidates. Although the measure limits candidates' ability to contribute to their own campaigns and individuals' right to make contributions, those provisions will likely be struck down immediately by the courts if this measure passes. Measure 47 actually anticipates court action by including a provision that will maintain the limits on unions and other political nonprofits when the courts strike down the limits on the wealthy. Rich individuals, like the measure's sponsor, will have even greater ability to dominate Oregon politics because they will be unaffected, while organizations like OSEA will be extremely limited in our ability to participate.

Measures 47 has little support beyond its sponsor. Twothirds of the money spent to get this measure on the ballot came from one wealthy individual. Real campaign finance reform should come from a broad base of organizations and individuals—not from one wealthy contributor seeking to write the laws to his liking.

Measure 47 requires citizens to obtain an Individual Tracking Code from the government before making political contributions more than \$500. Political contributions are already recorded and tracked by the government. We don't need more government tracking of our personal free speech choices. And the penalties for mistakes can be as much

Measure 47—the same failed approach that didn't clean up congressional elections. We've seen how ineffective this type of campaign finance "reform" has been in cleaning up congressional elections. We need real solutions—not this!

Vote NO on Measure 47

Oregon School Employees Association

(This information furnished by Merlene Martin, Oregon School Employees Association.)

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Argument in Opposition

The Oregon Association of REALTORS® Opposes Measure 47!

Please join us in voting NO!

Measure 47 is designed to impose campaign contribution limits. While this may sound attractive to you - especially during a busy campaign cycle – limiting your knowledge of a candidate's position on the issues that are important to you is dangerous

Oregon has a proud history of a citizen legislature that dates back to its founding in 1859. Any citizen has had the opportunity to run for office and get elected. If Measure 47 passes, this opportunity will be lost for most of Oregon's interested citizens.

That is why it is so important to vote NO on Measure 47!

Measure 47 would allow wealthy candidates an unfair advantage because they would be allowed to spend as much of their own money to get elected as they like. Many qualified candidates would be locked out of political office simply because they did not have vast personal wealth. Oregon's citizen Legislature would become a Legislature of wealthy aristocrats.

And, even worse, Measure 47 would require anyone making a campaign contribution to register with the Secretary of State and get a tracking code before they could contribute to a cause or person they believe in! The penalty for failing to get this tracking code? It could be as high as \$50,000!!

Lastly, Measure 47 would restrict the ability of any organization to conduct voter education campaigns. Successful democracies depend on informed and involved voters. Restricting access to information in the name of campaign finance reform will only serve to limit your ability to make an informed decision. Please join us in rejecting Measure 47!

Vote NO on Measure 47!

(This information furnished by Jeremy Starr, President, Oregon Association of REALTORS.)

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Argument in Opposition

Protect our Voice **Protect Your Freedom of Speech**

Real campaign finance reform should come from all of us working together to reduce the influence of big money in Oregon politics. Measures 46 and 47 are the wrong solution. Unfortunately, they will hurt the voice of non-profits and membership organizations, and make the problem of wealthy individuals who seek to influence our politics even worse.

Join us in VOTING NO on Measure 47

American Federation of Teachers-Oregon

Basic Rights Oregon

Democratic Party of Oregon

Ecumenical Ministries of Oregon

Eugene Springfield Solidarity Network

NARAL Pro-Choice Oregon

Oregon Action

Oregon AFL-CIO

Oregon Education Association

Oregon School Employees Association

Our Oregon

Planned Parenthood Advocates of Oregon

SEIU Local 49

SEIU Local 503, OPEU

Stand for Children

and

Representative Peter Buckley, Chief Petitioner Measure 47

www.protectourvoice.org

(This information furnished by Christy B. Mason, Our Oregon.)

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Argument in Opposition

STATEMENT IN OPPOSITION BY PETER BUCKLEY, ORIGINAL SPONSOR FOR MEASURE 47

As a former chief petitioner for Measure 47, I am deeply committed to achieving real campaign finance reform for Oregon. In fact, I helped bring forth these proposed reforms, but I'm now asking you to join me in voting against them.

They won't work.

That's the bottom line. They will make a bad system worse, and give rich individuals a greater advantage than they already have in Oregon politics.

In crafting Measures 46 and 47, we tried to come up with a way to level the playing field to end the overwhelming and destructive influence of big money in Oregon politics.

Unfortunately, I have learned in the months since the proposed reforms were first set out that several provisions will undoubtedly be overturned by the courts. This includes the proposed limit on personal contributions to a candidate's own campaign, and the proposed limit on individual independent expenditures.

Think for just a minute on what kind of system this would leave in place. It would give wealthy candidates and wealthy individuals even more of a leg up than they currently have in our woefully unfair campaign finance system. It would strengthen the voice of the richest Oregonians, taking the vast majority of Oregon citizens almost entirely out of the picture.

The intentions behind this measure are the best, but the results will not be. The wealthiest 1% of Oregonians don't need any more help getting their views heard politically. That is what Measure 47 is likely to result in, once the courts rule and the dust cettles.

Please vote NO on Measure 47, and let's keep working to find a system to fund campaigns that is straightforward, fair, and will work for Oregon.

Representative Peter Buckley Oregon House District Five

(This information furnished by Representative Peter Buckley.)

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Argument in Opposition

Planned Parenthood Advocates of Oregon Asks you to vote NO on Measure 47

PROTECT OUR VOICE

Measure 47 is too extreme.

Campaign finance reform should focus on reducing the influence of big money in politics, not on placing severe limits on how non-profit organizations can conduct voter education campaigns. This act would even require Oregonians to obtain a tracking code from the Secretary of State. Measure 47 goes too far, and will create an unfair and unnecessary limitation on the voice of non-profit organizations.

Measure 47 is unconstitutional.

The sponsors of Measure 47 admit that many of its provisions violate our freedom of speech protection under the Oregon Constitution. That's why they have written Measure 46, which eliminates those constitutional rights. Both measures go too far in violating our freedom of speech under the Bill of Rights in both the Oregon and United States Constitution.

Measure 47 will have unintended consequences.

Because sponsors of Measure 46 and 47 can do nothing to change federal law, their attempts to limit what wealthy candidates and individuals can spend on politics will likely be declared unconstitutional by federal courts, as have similar attempts in other states. This will leave Oregon with unfair limitations on what non-profit organizations can do and say, but no limits on what wealthy candidates can spend or what rich individuals can do politically.

Planned Parenthood Advocates of Oregon ask you to say NO to Measure 47

(This information furnished by Bill Sheppard, Planned Parenthood Advocates of Oregon.)

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Argument in Opposition

Stand for Children Urges You To Vote NO on Measure 47

Measure 47 is the wrong answer to a real problem. Every day, Stand for Children fights for a better future for our children. We support sensible, meaningful campaign finance reform. But this measure is the wrong answer:

- It imposes unnecessary burdens and dangerous restrictions on non-profit organizations like Stand for Children.
- It makes the problem of wealthy individuals exerting undue influence on politics even worse.

This measure is primarily sponsored by one wealthy individual. According to *The Oregonian*, two-thirds of the money for this measure has come from one wealthy person. Real campaign finance reform should come from public interest groups working together, not one person seeking to change state law with his own checkbook.

Measure 47 will have unintended consequences.

Measure 47's attempt to limit individual independent expenditures and to restrict the ability of candidates to contribute to their own campaigns will likely be struck down under federal law. This will result in wealthy, self-funded candidates having even more power than they do now.

Measure 47 will hurt our ability to effectively advocate for children. This measure muzzles the voice of grassroots organizations like Stand for Children while allowing wealthy individuals with special interests to have an unfair advantage in

Oregon politics. It will make a real problem worse.

Stand for Children asks you to please vote NO on Measure 47

Our children's future depends on what we do now.

Protect our voice.

(This information furnished by Holly Pruett, Stand for Children.)

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Argument in Opposition

OREGON TEACHERS ASK YOU TO VOTE NO ON MEASURE 47

Measure 47 is unconstitutional.

Even its sponsors admit that Measure 47 violates your existing free speech rights. That's why they also are asking for you to surrender those rights by constitutional amendment (Measure 46).

Measure 47 goes too far.

Measure 47 goes far beyond limiting campaign contributions. The act contains nearly 20 pages of requirements which regulate which issues can be discussed in politics, when, how, and by whom. It affects all individual donors, political parties, political action committees, candidates, unions, corporations, and non-profits.

Some of the more extreme requirements of this measure include:

- Political contributors in Oregon will be required to obtain a "handle" or individual code from the Secretary of State;
- No political non-profit can accept more than \$500 per year from any person;
- Individual donors are responsible for knowing which nonprofits, candidates, political action committees and organizations they can give to and how much is legally acceptable;
- Fines for violating the measure are up to 20 times the amount of violation; and,
- Any person can allege violation of the act, which automatically triggers a court hearing on the accusation within 15 days.

"In short, the measure would impose a Kafka-esque or even Soviet-style web of restrictions, requirements and penalties on what Oregon citizens could spend, write, say or do in connection with elections."

("Measure would squelch speech," Albany Democrat-Herald,

Measure 47 is brought to you by one wealthy man.

Two-thirds of the money to qualify this measure (and Measure 46) came from just one wealthy individual seeking to change Oregon's constitutional political free speech protections. Real campaign finance reform should come from all of us working together to reduce the influence of big money in Oregon politics.

Vote NO on Measure 47

(This information furnished by Larry Wolf, President, Oregon Education Association.)

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Argument in Opposition

American Federation of Teachers-Oregon Urges You to VOTE NO on Measure 47 Protect Our Voice

Measure 47 restricts the ability of educators to speak out for education.

Measure 47 imposes unreasonable limits on the expression of non-profits and membership organizations. Campaign finance reform should focus on reducing the influence of big money in politics, not putting a muzzle on the real voices we need to hear the most.

Measure 47 is brought to you by one wealthy man seeking to change Oregon's Constitution.

According to *The Oregonian*, two-thirds of the money behind Measure 47 comes from one wealthy individual. He went forward despite concerns expressed by many other campaign finance advocates and progressive organizations. Real campaign finance reform should come from all of us working together in the public interest, not one person with a big checkbook,

Measure 47 will give wealthy individuals a huge advantage.

This measure's attempt to limit individual independent expenditures and the ability of candidates to contribute to their own campaigns will likely be struck down under federal law. This will create a campaign finance system that lets rich individuals do what they want, but sets strict limits on non-profit organizations.

American Federation of Teachers-Oregon Urges You to VOTE NO on Measure 47

(This information furnished by Mark Schwebke, American Federation of Teachers - Oregon.)

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Argument in Opposition

THE OREGON AFL-CIO WORKS TO MAKE SURE OREGON FAMILIES HAVE GOOD JOBS AND STRONG COMMUNITIES

Our 90,000 members – including firefighters, teachers, steel-workers, nurses, construction workers, longshoremen, and more – work together to make sure that Oregon families have good jobs and strong communities. For us, that means campaign finance laws must provide a level playing field and empower ordinary citizens to be heard in the political debate.

Our member representatives have studied the ballot measures and voted to say "NO on Measure 47."

Oregon needs campaign finance reform. Measure 47 isn't it.

Measure 47 has good intentions, but it won't get big money out of politics. If it did, we'd support it: Corporations spent 24 times more than unions nationally in 2004. But Measure 47 will only create more problems.

Measure 47 is overly complex and poorly written.

Because it's based on a convoluted and tricky process, <u>key elements of this measure are likely unconstitutional</u>. The way it's written, when some parts are thrown out, others may remain in force.

Measure 47 will favor big corporate interests.

When Measure 47 is challenged in court, the special interests with the most expensive lawyers will come out on top. Then, they alone will operate outside this law – without limits. We don't need the pharmaceutical, tobacco and health insurance companies having even more power in our elections. Oregon deserves better reform.

Measure 47 is a mess. See for yourself.

This measure is so <u>long</u>, <u>dense and confusing</u> that people have a hard time figuring out what goes where. See for yourself what the sponsors have created to help you "understand:"

www.CanYouFollowTheMoneyIn47.com

Volunteering should be encouraged, not punished

Like Measure 48, the flawed spending formula, Measure 47 is based on a bad Colorado experiment. A judge recently found that union members who volunteered only their time to help a candidate, were breaking the law!

Please vote "No" on Measure 47.

Tom Chamberlain, President Oregon AFL-CIO

(This information furnished by Tom Chamberlain, President, Oregon AFI -CIO.)

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Argument in Opposition

THE WORKING PEOPLE OF SEIU LOCAL 49 and SEIU Local 503, OPEU Urge you to VOTE NO on Measure 47

Don't give up your constitutional rights.

Measure 47 is an unconstitutional attempt to limit our freedom of speech. In fact, you have to surrender your existing constitutional rights through Measure 46 for Measure 47 to even be able to take effect.

Measure 47 goes too far

Working people understand the corrupting influence of big money and the power of corporate lobbyists to influence politics. What we don't understand is why non-profits and membership organizations are being lumped in with the big corporations under this act. We need campaign finance reform to limit the influence of big money in Oregon politics. Measure 47 simply goes too far. Oregonians would have to obtain their own individual code with the Secretary of State before making political contributions under this measure. No one could give more than \$500 a year to a political non-profit in Oregon if it passes.

Working people deserve a voice

In the last year, the working people of SEIU local 503 have used our political voice to fight out-of-control health care costs, preserve the minimum wage and help stop predatory lenders. Measure 47 would limit how, when, and to whom we could speak about politics. Under existing Oregon law, that's unconstitutional. Let's keep it that way.

Don't let wealthy people dominate Oregon politics.

Measure 47 is brought to you primarily by one wealthy individual seeking to change Oregon's constitutional free speech protections. The problem of wealthy individuals and candi-

dates will get even worse when key parts of Measure 47 are struck down under federal law, and the rest of us still have our voices limited.

Vote NO on Measure 47 Protect our Voice

(This information furnished by Megan Sweeney, SEIU Local 49 and SEIU Local 503, OPEU.)

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Argument in Opposition

Basic Rights Oregon Urges You to VOTE NO On Measure 47

Measure 47 will help extremists rule Oregon politics.

Basic Rights Oregon has been fighting against discrimination for over a decade. Measure 47 will limit what we can say, and when and to whom we can talk politics. Our basic right to fully participate in the political process is at stake, and so is yours.

Measure 47 will do nothing to stop rich people from buying elections.

In actuality, this measure is designed to muzzle the free expression of non-profit groups, while allowing a handful of wealthy individuals to continue to dominate political speech.

This measure made the ballot with help from the extreme right wing.

This so-called reform measure was approved by and circulated on the street with the signature gatherers for Bill Sizemore, Don McIntire, and Howard Rich—extremists whose agenda Oregonians have rejected time and time again, and has nothing to do with campaign finance reform. Ask yourself why they might want this measure, and decide where you stand.

STAND UP FOR YOUR BASIC RIGHTS. VOTE NO ON MEASURE 47.

(This information furnished by Frank Dixon, Basic Rights Oregon.)

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Argument in Opposition

NARAL Pro-Choice Oregon Urges You to VOTE NO on Measure 47

Measure 47 violates the Oregon Constitution.

By its supporters' own admission, many of the provisions of Measure 47 violate our freedom of speech protections under Oregon's Bill of Rights. Unless Oregonians willingly part with those freedoms under Measure 46, most of Measure 47 will remain what it is today – an unconstitutional attempt to limit the free speech rights of Oregon non-profits, membership organizations, and individuals.

Measure 47 violates the United States Constitution.

This act contains several provisions that Constitutional experts expect will be struck down immediately under federal law, especially how much money candidates and wealthy individuals can spend from their own personal funds. This will leave Oregon with an even greater imbalance than we have now – wealthy individuals and candidates will get to say and spend whatever they want, but non-profits like NARAL Pro-Choice Oregon will be forced to operate under severe limitations on what we can say and do politically to defend our rights.

Measure 47 will hurt freedom of choice.

This measure will restrict how the choice community can educate voters, what issues we can talk about when, and how much we can accept from donors. In fact, Measure 47 would restrict any organizations ability to conduct voter education campaigns on political issues.

Vote NO on Measure 47 FREEDOM OF CHOICE DEPENDS ON FREEDOM OF SPEECH

(This information furnished by Treasure Mackley, NARAL Pro-Choice Oregon.)

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Argument in Opposition

The Oregon Family Council Urges Voters to Reject Measures 46 & 47 They May Be the Worst Idea Ever For Oregon Voters

Admittedly, most Oregonians have grown weary of negative campaign tactics. So measures promising "campaign finance reform" come as a welcome relief. But the remedies proposed in Ballot Measures 46 and 47 are far worse than the ailment.

Voters are the Big Losers

If passed, all public policy organizations—pro-family, conservative and liberal alike—would lose much of their ability to educate voters or support candidates. More importantly, voters would be far less educated about candidate philosophies and positions on issues at election time.

Measures 46 & 47 Impose Severe Limitations on All Public Policy Organizations

- All public policy organizations would face dramatic limitations in publishing Voter's Guides and candidate position information.
- All public policy organizations would face dramatic limitations in their ability to help candidates.
- All public policy organizations would have severe limitations placed on their ability to receive contributions.
- All public policy organizations would be severely limited in their ability to partner with other organizations.

(These limitations would be imposed on all public policy organizations, political parties, business groups and unions.)

Measures 46 & 47 Impose Severe Limitations on All Voters

- Voters would be severely limited in supporting candidates, organizations or political parties.
- Voters making even modest contributions to political causes would be assigned a tracking number and have their personal information broadcast online.
- Candidates would be severely limited in their ability to contribute to their own campaign.
- Candidates would be limited in paying off campaign debts and any campaign balance would go to the government.

Measures 46 and 47 are dangerous assaults on our citizenship rights to influence public policy, elect men and women of integrity and be informed on Election Day.

Please Vote NO on Measure 46 & Measure 47

(This information furnished by Michael P. White, Executive Director, Oregon Family Council.)

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Argument in Opposition

Oregon Right to Life Urges a No Vote on Measure 47

Measure 47 ensnares Oregonians in a web of limitations that will severely restrict – and possibly erode – the free speech right to join together around an idea and support office holders that share their values.

For example, pro-life Oregonians trust Oregon Right to Life PAC to bring them timely and accurate information about candidates and ballot measures. Ballot Measure 47's contribution and spending limits are so restrictive that we will be unable to continue to provide the level of information our membership expects and deserves.

Not a pro-life voter? Guess what--these limits will apply across the board and affect all Oregonians who want to join with others to forward ideas in the political arena.

Measure 47 squelches the voices of Oregonians and the organizations they support.

Please VOTE NO on 47

(This information furnished by Gayle Atteberry, Oregon Right to Life.)

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Argument in Opposition

THE DEMOCRATIC PARTY OF OREGON URGES YOU TO VOTE NO ON MEASURE 47

Wealthy People Shouldn't Dominate Our Politics

Too often, rich individuals open their checkbooks to push their opinions on the rest of us. Loren Parks has been doing this to Oregonians for years. New York Developer Howard Rich is doing it by funding the flawed Colorado TABOR formula in Oregon. And now Harry Lonsdale is drawing from his wealth to impose Measure 47 on our political system – despite overwhelming concerns from Oregon Democrats and other campaign finance advocates.

Measure 47 Will Make Problems Worse

Measure 47 will make things worse because it puts severe restrictions on progressive organizations including the Democratic Party while leaving wealthy individuals to circumvent limits and dominate our political process.

Our free speech will be limited, but no limits will exist for rich people – an unfair and dangerous situation for democracy.

The Democratic Party of Oregon Supports Real Campaign Finance Reform

Real reform to fix a broken campaign finance system should come from all of us working together – not a single wealthy individual.

Measure 47 puts unfair limits on the Democratic Party, but fails to address the costs of campaigning. Without making public airwaves more accessible and affordable to candidates voters lose out because they'll hear less from candidates and more from wealthy interests.

Many organizations including the DPO who advocate for clean money, increased disclosure and campaign finance reforms see Measure 47 as the wrong solution.

Official 2006 General Election Voters' Pamphlet

Measure 47 is unconstitutional. Rather than fixing constitutional problems, sponsors instead inserted a dangerous severability clause. This means some limits will remain in effect when the courts inevitably throw out the others.

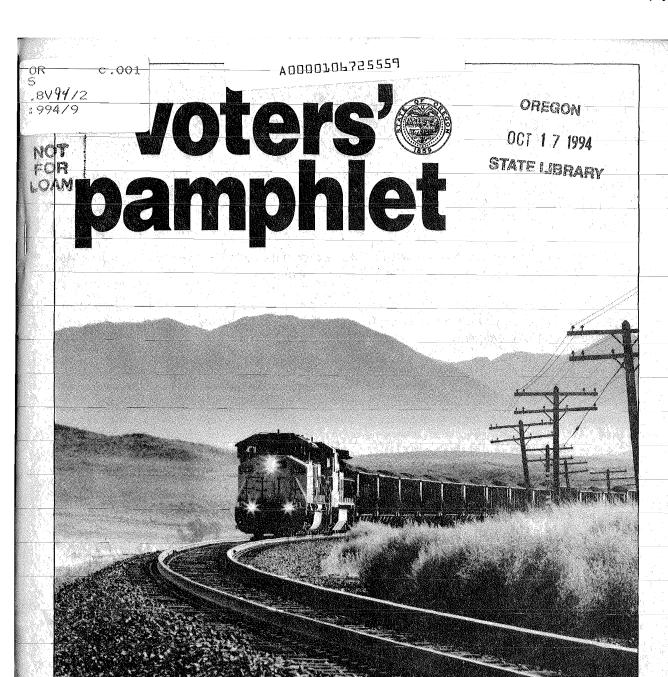
The effect will be a "Swiss Cheese" finance system that will impair progressive organizations' ability to raise and spend money to defend Oregon, but leaves wealthy individuals and big special interests to dominate.

We urge all Democrats to vote NO on Measure 47.

DON'T LET WEALTHY INDIVIDUALS DOMINATE OREGON POLITICS

 $(This\ information\ furnished\ by\ Jim\ Edmunson,\ Democratic\ Party\ of\ Oregon.)$

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statement made in the argument.



STATE OF OREGON GENERAL ELECTION NOVEMBER 8, 1994 Compiled and Distributed by

Secretary of State

This Voters' Pamphlet is the personal property of the recipient elector for assistance at the polls.

Measure No. 9

Proposed by initiative petition to be voted on at the General Election, November 8, 1994.

BALLOT TITLE

9

ADOPTS CONTRIBUTION AND SPENDING LIMITS, OTHER CAMPAIGN FINANCE LAW CHANGES

QUESTION: Shall statutes limit contributions by Individuals and groups to certain candidates and PACs, adopt optional spending limits for some candidates?

SUMMARY: Adopts, amends statutes. Limits contributions by individuals, groups, PACs each election to \$500 for statewide candidates, \$100 for legislative candidates, with exceptions. Limits contributions to PACs to \$100 annually, with exceptions. Restricts contributions between candidates and PACs. Defines "contribution." Bans candidates' personal use of campaign funds. Adopts optional campaign spending caps for statewide and legislative offices. No tax credit for contributions to candidates not agreeing to limits. Repeals some political tax credits. Bars some corporate, labor organization contributions. Civil penalties. Other changes.

ESTIMATE OF FINANCIAL IMPACT: In 1994-95, direct state expenditures to implement one-time changes required by this measure will be \$1.13,000. There will be a direct state revenue increase of approximately \$2.1 million per year because donations to certain committees will no longer be eligible for the income tax political contribution credit.

The Oregon Campaign Finance Reform Act

Relating to elections; creating new provisions; amending ORS 260.005, 260.083, 260.165 and 316.102; repealing ORS 248.095 and sections 25, 60 and 61, chapter 267, Oregon Laws 1987; and appropriating money.

SECTION 1, 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, who requested a tally of write-in votes under ORS 249.007 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 [260.006] 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.
 - (3)(a) Except as provided in section 2 of this 1994 Act,

"contribute" or "contribution" includes:

- (A) The payment, [unrepaid] 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: [-]
- (i) 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
- (ii) To or on behalf of a candidate, political committee or measure; and
- (B) Any unfulfilled pledge, subscription, agreement or promise, whether or not legally enforceable, to make a contribution.
- (b) Regarding a contribution made for compensation or consideration of less than equivalent value, only the excess value of it shall be considered a contribution.
- (4) "County clerk" means the county clerk or the county official in charge of elections.
- (5) "Elector" means an individual qualified to vote under section 2, Article II, Oregon Constitution.
- (6) Except as provided in section 2 of this 1994 Act, "expend" or "expenditure" includes the payment or furnishing of money or any thing 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 in 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. Subject to section 4 of this 1994 Act, "expenditure" also includes contributions made by a candidate or political committee to or on behalf of any other candidate or political committee.
 - (7) "Filing officer" means the:
- (a) Secretary of State, regarding a candidate for any state office or any office to be voted for in the state at large or in a congressional district; or regarding a measure to be voted for in the state at large.
- (b) County clerk, regarding a candidate for any county office or any district or precinct office within the county, or regarding a measure to be voted for in one county or in a district situated wholly within one county.
- (c) Chief city election officer, regarding a candidate for any city office, or a measure to be voted for in a city only.
- (d) County clerk of the county in which the office of the chief administrative officer or administrative board is located regarding a candidate for office for any district or regarding a measure to be voted on in a district, when the district is situated in more than one county.
- (8) "Independent expenditure" means an expenditure by a person for a communication expressly advocating the election or defeat of a clearly identified candidate 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. As used in this subsection:
 - (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
- (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) "Clearly identified" means:
 - (A) The name of the candidate involved appears;

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- (B) A photograph or drawing of the candidate appears; or (C) The identity of the candidate is apparent by unam-
- biguous reference.
- (c) "Expressly advocating" means any communication containing a message advocating election or defeat, including but not limited to the name of the candidate, or expressions such as "vote for," "elect," "support," "cast your ballot for," or "vote against," "defeat" or "reject."
- (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":
- (A) Means any arrangement, coordination or direction by the candidate or the candidate's agent 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 candidate's plans, projects or needs provided to the expending person by the candidate or by the candidate's agent, 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 who is, or has been, receiving any form of compensation or reimbursement from the candidate, the candidate's principal campaign committee or agency; and
- (B) Does not include 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.
- [(8)] (9) "Judge" means judge of the Supreme Court, Court of Appeals, circuit or district court or the Oregon Tax Court.
- (10) "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and that exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work.
- [(0)] (11) "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.
- [(10)] (12) "Occupation" means the nature of an individual's principal business or, if the individual is employed by another person, the nature of the individual's principal business or the business name and address of the employer.
- [(11)] (13) "Person" means an individual or a corporation, association, firm, partnership, joint stock company, club, organization or other combination of individuals having collective capacity.
- [(12)] (14) "Political committee" means a combination of two or more individuals, or a person other than an individual, [the primary or incidental purpose of which is to support or oppose any candidate, measure or political party, and which has received a contribution or made an expenditure for that purpose.] that has received a contribution or made an expenditure for the purpose of:
- (a) Supporting or opposing a candidate, measure or political party; or
- (b) Making independent expenditures in support of or in opposition to a candidate, measure or political party.
- [(13)] (15) "Public office" means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.

[(14)] (16) "State office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, Superintendent of Public Instruction, state Senator, state Representative, judge or district attorney.

- (17) "With respect to a single election" means, in the case of a contribution to a candidate for public office:
- (a) The next election for nomination or election to that public office, other than national or political party office, after the contribution is made; or
- (b) In the case of a contribution made after an election and designated in writing by the contributor for a previous election, the election so designated. A contribution may be designated for a previous election under this subsection if the contribution does not exceed the expenditure deficit of the candidate or principal campaign committee of the candidate receiving the contribution.

SECTION 2. As used in this chapter, "contribute," "contribution," "expend" or "expenditure" does not include:

- (1) Any written news story, commentary or editorial distributed through the facilities of any broadcasting station, newspaper, magazine or other periodical publication, unless a political committee owns the facility;
- (2) An individual's use of the individual's own personal residence, including a community room associated with the individual's residence, to conduct a reception for a candidate, and the cost of invitations, food and beverages provided at the reception:
- (3) A vendor's sale of food and beverages for use in a candidate's campaign at a charge less than the normal comparable charge, if the charge is at least equal to the cost of the food or beverages to the vendor;
- (4) Any unreimbursed payment for travel expenses an individual makes on behalf of a candidate;
- (5) Any loan of money made by a state bank, a federally chartered depository institution or a depository institution insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation or the National Credit Union Administration, other than any overdraft made with respect to a checking or savings account, if the loan bears the usual and customary interest rate for the category of loan involved, is made on a basis that assures repayment, is evidenced by a written instrument and is subject to a due date or amortization schedule. However, each indorser or guarantor of the loan shall be considered to have contributed that portion of the total amount of the loan for which that person agreed to be liable in a written agreement, except if the indorser or guarantor is the candidate's spouse;
- (6) Nonpartisan activity designed to encourage individuals to vote or to register to vote;
- (7) Any communication a membership organization or corporation makes to its members, shareholders or employees if the membership organization or corporation is not organized primarily for the purpose of influencing an election to office;
- (8) The payment of compensation for legal and accounting services rendered to a candidate if the person paying for the services is the regular employer of the individual rendering the services and the services are solely for the purpose of insuring compliance with the provisions of this chapter; and
- (9) The payment by a state or local committee of a political party of the costs of preparation, display or mailing or other distribution incurred by the committee with respect to a printed slate card or sample ballot, or other printed listing, of three or more candidates for any public office for which an election is held in this state. This subsection does not apply to costs incurred by the committee with respect to a

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display of any such listing made on broadcasting stations or in newspapers, magazines or similar types of general public political advertising.

SECTION 3. (1) Subject to section 4 of this 1994 Act and except as provided in subsection (4) of this section, with respect to a single election, a person or political committee shall not contribute an aggregate amount exceeding:

- (a) \$500 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Governor, Secretary of State, State Treasurer, Superintendent of Public Instruction, Attorney General, Commissioner of the Bureau of Labor and Industries or judge of the Supreme Court, Court of Appeals or Oregon Tax Court.
- (b) \$100 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of State Senator or State Representative.
- (2) With respect to a single election, an individual under 18 years of age shall not contribute an aggregate amount exceeding \$25 to any single candidate.
- (3) An individual shall not contribute in any calendar year an aggregate amount exceeding \$100 to any one political committee other than a principal campaign committee or a political committee organized exclusively to support or oppose one or more candidates for national or political party office or one or more measures.
 - (4) Notwithstanding subsection (1) of this section:
- (a) With respect to a single election, a political committee established by a political party shall not contribute an aggregate amount exceeding:
- (A) \$25,000 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Governor:
- (B) \$10,000 to a candidate or the principal campaign committee of a candidate for nomination or election to the office of Secretary of State, State Treasurer, Superintendent of Public Instruction, Attorney General, Commissioner of the Bureau of Labor and Industries; or
- (C) \$5,000 to a candidate for nomination or election to the office of state Senator or state Representative.
- (b) An individual shall not contribute in any calendar year an aggregate amount exceeding \$1,000 to any one political committee organized by a political party.
- (5) A candidate, principal campaign committee or other political committee shall not accept a contribution in excess of the limits contained in this section.
- (6) Nothing in this section shall limit the amount a candidate may contribute from the candidate's personal funds to the candidate or the candidate's principal campaign committee. Subject to section 6 of this 1994 Act, a candidate may make unlimited expenditures from personal funds.

SECTION 4. (1) Except as provided in subsection (2) of this section:

- (a) A candidate or the principal campaign committee of a candidate for other than national or political party office, or a political committee over which a candidate exercises direction or control, shall not make a contribution to:
- (A) Another candidate or principal campaign committee of a candidate for other than national or political party office; or
- (B) Any other political committee, other than a political committee exclusively supporting or opposing one or more candidates for national or political party office or a political committee organized exclusively to support or oppose one or more measures.
- (b) A political committee that is not a principal campaign committee or a political committee over which a candidate exercises direction or control shall not make a contribution

to any other political committee except:

- (A) A political committee exclusively supporting or opposing candidates for national or political party office;
 - (B) A principal campaign committee; or
- (C) A political committee organized exclusively to support or oppose one or more measures.
- (c) A candidate or the principal campaign committee of a candidate for other than national or political party office, or any other political committee, other than a political party committee, a political committee exclusively supporting or opposing one or more candidates for national or political party office or a political committee organized exclusively to support or oppose one or more measures, shall not accept a contribution from:
- (A) A candidate or the principal campaign committee of a candidate for national or political party office; or
- (B) A political committee exclusively supporting or opposing one or more candidates for national or political party office.
- (d) A candidate for other than national or political party office, the candidate's principal campaign committee or a political committee shall not accept a contribution prohibited by this section.
 - (2) Nothing in this section shall prohibit:
- (a) An individual who is a candidate from making a contribution as an individual from the candidate's personal funds to any candidate, principal campaign committee or other political committee;
- (b) A candidate, principal campaign committee or other political committee from accepting a contribution from the personal funds of an individual who is a candidate;
- (c) A candidate, the principal campaign committee of a candidate or any other political committee from making a contribution to a political committee that is exclusively supporting or opposing one or more candidates for national office; or
- (d) A political committee that is exclusively supporting or opposing one or more candidates for national office from accepting a contribution from any candidate, the principal campaign committee of any candidate or any other political committee.

SECTION 5. As used in sections 5 to 10 of this 1994 Act:

- (1)(a) "Attributable expenditure" means an expenditure from contributions, including any loans received, including accounts payable, made or authorized:
- (A) By the candidate or by a person acting for the candidate;
- (B) For the treasurer of the candidate or the candidate's principal campaign committee; or
- (C) For another person or political committee under the direction or control of the candidate or the treasurer of the candidate or the candidate or the candidate's principal campaign committee.
- (b) "Attributable expenditure" does not include an expenditure that is a repayment on a loan or an independent expenditure.
 - (2) "Secretary" means the Secretary of State.
- (3) "Statewide office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Superintendent of Public Instruction and Commissioner of the Bureau of Labor and Industries.
- (4) "With respect to the primary election" means the period beginning on the date that the name of a treasurer is certified to the filing officer under ORS 260.035 or 260.037 or the day following the last day of the accounting period for a previous statement of contributions received or expenditures made if the statement shows an unexpended balance of contributions or an expenditure deficit, and ending on the

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20th day after the date of the primary election.

- (5) "With respect to the general election" means:
- (a) For a candidate nominated by a major political party at the primary election, the period extending from the 21st day after the primary election to December 31; or
- (b) For a candidate not nominated at the primary election, the period extending from the date the name of a treasurer for the candidate or the principal campaign committee of the candidate is certified to the filing officer and ending on December 31.

SECTION 6. (1) A candidate for statewide office or the office of state Senator or state Representative may file a declaration of limitation on expenditures as described in section 7 of this 1994 Act with the secretary stating that the candidate, including the principal campaign committee of the candidate, will not make attributable expenditures:

- (a) With respect to the primary election, in excess of:
- (A) \$500,000 for the office of Governor;
- (B) \$200,000 for any other statewide office;
- (C) \$30,000 for the office of state Senator; and
- (D) \$20,000 for the office of state Representative.
- (b) With respect to the general election, in excess of:
- (A) \$1 million for the office of Governor;
- (B) \$400,000 for any other statewide office;
- (C) \$60,000 for the office of state Senator; and
- (D) \$40,000 for the office of state Representative.
- (2) For purposes of this section, attributable expenditures made prior to the applicable primary or general election reporting period in consideration for goods to be delivered or services to be rendered solely during the primary or general election reporting period shall be charged against the expenditure limits described in subsection (1) of this section in the reporting period during which the goods or services are delivered.
- (3) A candidate described in subsection (1) of this section who has filed a declaration under this section stating that the candidate will not make attributable expenditures with respect to the primary or general election in excess of the limits described in subsection (1) of this section shall not be bound by the declaration if any opposing candidate for the same nomination or office at the same election has not filed a declaration indicating that the candidate will limit expenditures or has filed the statement but has made expenditures exceeding the applicable limit.

SECTION 7. (1) The declaration of limitation on expenditures filed under section 6 of this 1994 Act shall certify that with respect to the primary or general election, the candidate and the principal campaign committee of the candidate will not incur attributable expenditures in excess of the applicable expenditure limit described in section 6 of this 1994 Act.

- (2) The secretary shall prescribe forms for the filing of the information required by this section. The forms shall also include:
- (a) The name of the candidate by which the candidate is commonly known and by which the candidate transacts important private or official business.
 - (b) The mailing address of the residence of the candidate.
 - (c) The signature of the candidate.
 - (3) The declaration shall be filed with the secretary:
- (a) For the primary election, not later than the date the candidate files a declaration of candidacy or a nominating petition; and
 - (b) For the general election:
- (A) In the case of a candidate nominated by a major political party at the primary election, not later than 40 days after

the primary election; or

(B) In the case of a candidate not nominated at the primary election, at the same time that a certificate of nomination is filed.

SECTION 8. (1) An expenditure not qualifying as an independent expenditure shall be considered an in-kind contribution to the candidate or the principal campaign committee of the candidate and an expenditure by the candidate or the principal campaign committee of the candidate.

- (2) For purposes of section 6 of this 1994 Act, the amount of an expenditure not qualifying as an independent expenditure shall count against the expenditure limits of the candidate for whose benefit the expenditure was made.
- (3) For purposes of the contribution limitations established by section 3 of this 1994 Act, the amount of an expenditure not qualifying as an independent expenditure shall count against the contribution limits of the person or political committee making the expenditure.
- (4) No person, including a candidate or political committee, shall report an expenditure as an independent expenditure if the expenditure does not qualify as an independent expenditure under ORS 260.005.

SECTION 9. (1) With respect to the primary and general elections, the secretary shall examine each contribution and expenditure statement of each candidate who filed a declaration of limitation on expenditures under section 6 of this 1994 Act to determine whether any candidate exceeded the applicable expenditure limit. If the secretary determines after any filing that a candidate has exceeded the applicable expenditure limit, the secretary shall send a notice of the secretary's determination to the candidate. If the secretary determines that the secretary or any candidate for nomination or election to an office for which the secretary is also a candidate for nomination or election has exceeded the applicable expenditure limit, the information shall be sent to the Attorney General, who shall be substituted for the secretary in any enforcement proceeding under this section and section 10 of this 1994 Act. The notice also shall state that the candidate may appeal the secretary's or the Attorney General's determination as provided in this sec-

- (2) A hearing to contest the determination that a candidate has violated the declaration of limitation on expenditures as described in subsection (1) of this section and to consider circumstances in mitigation shall be held by the secretary or the Attorney General:
- (a) Upon request of the candidate, if the request is made not later than the seventh day after the candidate received the notice sent under subsection (1) of this section; or
- (b) Upon the secretary's or the Attorney General's own motion.
- (3) A hearing under subsection (2) of this section shall be conducted, and the secretary's or the Attorney General's order may be appealed, in the manner provided for a contested case under ORS 183.310 to 183.550.
- (4) The candidate need not appear in person at a hearing held under this section, but instead may submit written testimony and other evidence, subject to the penalty for false swearing, to the secretary for entry in the hearing record. Such documents must be received by the secretary not later than five business days before the day of the hearing.

SECTION 10. (1) If the secretary or the Attorney General finds under section 9 of this 1994 Act that a candidate filing a declaration of limitation on expenditures under section 6 of this 1994 Act has exceeded the applicable expenditure limit, the secretary or the Attorney General may impose a civil penalty in the manner provided in ORS 260.995 in an amount no greater than twice the amount of the expenditures that exceeds the applicable expenditure limit.

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(2) The secretary or the Attorney General may impose a civil penalty not to exceed \$10,000 for any violation of section 8 (4) of this 1994 Act. The civil penalty shall be imposed in the manner provided in ORS 260.995.

(3) The secretary or the Attorney General shall exempt any candidate from the imposition of civil penalties under subsections (1) and (2) of this section if the secretary or the Attorney General finds the candidate has exceeded the applicable expenditure limit by a minimal amount. The secretary shall adopt by rule standards and procedures for exempting any candidate from the imposition of civil penalties under subsections (1) and (2) of this section. The rule shall apply in the same fashion to all candidates for the same nomination or office.

<u>SECTION 11.</u> (1) Except as provided in subsection (2) of this section, the Secretary of State or the Attorney General shall impose a civil penalty in the manner provided in ORS 260.995 for each violation of any provision of section 3, 4 or 16 of this 1994 Act.

(2) Notwithstanding ORS 260.995, the Secretary of State or Attorney General shall impose a civil penalty not to exceed the greater of \$1,000 or three times the amount of any:

(a) Contribution made or received in violation of section 4 or 16 of this 1994 Act; or

(b) Contribution that exceeds the limit specified in section 3 of this 1994 Act.

(3) If a candidate or the principal campaign committee of a candidate violates any provision of section 3, 4 or 16 of this 1994 Act, the candidate shall be personally liable for the amount to be paid under this section. If a political committee, other than a principal campaign committee, violates any provision of section 3, 4 or 16 of this 1994 Act, the directors of the political committee shall be jointly and severally liable for any amount to be paid under this section.

SECTION 12. The Secretary of State shall:

(1) Adopt rules as necessary to carry out the provisions of sections 5 to 10 of this 1994 Act.

(2) Prescribe forms for declarations required by section 6 of this 1994 Act, and furnish the forms to persons required to file.

(3) Investigate when appropriate under the provisions of sections 5 to 10 of this 1994 Act.

SECTION 13, (1) The Secretary of State shall include with the voters' pamphlet statement of each candidate described in section 6 of this 1994 Act for the primary and general elections a statement indicating whether or not the candidate has agreed to limit expenditures under section 6 of this 1994 Act.

(2) If a candidate described in section 6 of this 1994 Act has agreed to limit expenditures, but is not bound by the agreement because an opponent of the candidate for the same nomination or office at the same election has not agreed to limit expenditures or has exceeded the applicable expenditure limit, the statement shall indicate that the candidate has agreed to limit expenditures and that the candidate is not bound by the agreement because an opponent of the candidate for the same nomination or office at the same election has not agreed to limit expenditures or has exceeded the applicable spending limit.

(3) If the Secretary of State or the Attorney General finds under section 9 of this 1994 Act that a candidate described in section 6 of this 1994 Act filing a declaration of limitation on expenditures under section 6 of this 1994 Act has exceeded the applicable expenditure limit, at the next primary and general elections at which the candidate is a candidate for nomination or election to an office for which a portrait or statement is included in the voters' pamphlet, the Secretary of State shall include with the portrait and infor-

mation required under ORS 251.075 and 251.085 a statement in boldfaced type indicating that the candidate violated a previous declaration of limitation on expenditures under section 6 of this 1994 Act. The statement required by this subsection shall identify the date of the election at which the candidate exceeded the applicable expenditure limit

SECTION 14. For purposes of the contribution limitations established by section 3 of this 1994 Act:

(1) Contributions shall be considered to be made by a single political committee if made by more than one political committee established, financed, maintained or controlled by the same person or persons, including any parent, subsidiary, branch, division, department or local unit of the person or by a group of those persons.

(2) Under subsection (1) of this section:

(a) All political committees established by a single corporation or its subsidiaries are treated as a single political committee:

(b) All political committees established by a labor organization are treated as a single political committee unless the political committee is established by a local unit of a labor organization that has the authority to indorse candidates subject to section 3 of this 1994 Act independently of the labor organization's state or national organization and if the local unit contributes only funds raised from its own members:

c) All political committees established by the same political party are treated as a single political committee; and

(d) All political committees established by substantially the same group of persons are treated as a single political committee.

(3) Contributions shall be considered to be made by a single person if made by any parent, subsidiary, branch, division, department or local unit of the same person.

(4) The Secretary of State shall investigate any alleged violation of this section only upon receiving a complaint filed under ORS 260.345.

SECTION 15. (1) With respect to a single election at which a candidate subject to section 3 of this 1994 Act seeks nomination or election, if a candidate contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding the amount specified in subsection (3) of this section, any other candidate for the same nomination or office and any contributions to that other candidate shall, pursuant to subsection (4) of this section, be exempt from any contribution limits applicable under section 3 of this 1994 Act.

(2) Any person or political committee making an independent expenditure in excess of an amount specified in subsection (3) of this section on behalf of or in opposition to a candidate subject to section 3 of this 1994 Act shall deliver notice as provided in subsection (4) of this section.

(3) This section applies if:

(a) A candidate for nomination or election to an office specified in section 3 (1)(a) of this 1994 Act contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding \$25,000;

(b) A person or political committee makes an independent expenditure on behalf of or in opposition to a candidate specified in section 3 (1)(a) of this 1994 Act in an amount exceeding \$25,000;

(c) A candidate for nomination or election to an office

\$10,000: or

specified in section 3 (1)(b) of this 1994 Act contributes the candidate's own personal funds, makes a loan from the candidate's own personal funds to the candidate's campaign or receives contributions from members of the candidate's

immediate family in an aggregate amount exceeding

(d) A person or political committee makes an independent expenditure on behalf of or in opposition to a candidate specified in section 3 (1)(b) of this 1994 Act in an amount exceeding \$10,000.

- (4) Within 24 hours after the contribution or loan is made. any candidate who contributes or loans personal funds to the candidate's campaign or receives contributions from members of the candidate's immediate family in an aggregate amount exceeding the applicable amount specified in subsection (3) of this section shall give written notice of the fact to the filing officer and to all other candidates for the same office at the same election for whom a nominating petition, a declaration of candidacy or a certificate of nomination has been filed. The candidate shall also supply written proof to the filing officer that all other candidates for the same office were given notice. The notice shall be given by registered or certified mail or by some other method that provides written proof that the notice was given. From the time notice is received under this subsection, any other candidate for the same office at the same election, and any contributions to that candidate, are not subject to any contribution limits otherwise applicable under section 3 of this 1994 Act until such time as the candidate contributes to the candidate's own campaign an amount exceeding the applicable amount specified in subsection (3) of this section.
- (5) Within 24 hours after funds for an independent expenditure are obligated, any person or political committee making an independent expenditure in an aggregate amount exceeding the applicable amount specified in subsection (3) of this section shall give written notice of the fact to the filing officer and to all other candidates for the same office at the same election for whom a nominating petition, a declaration of candidacy or a certificate of nomination has been filed. The person or political committee shall also supply written proof to the filing officer that all other candidates for the same office were given notice. The notice shall be given by registered or certified mail or by some other method that provides written proof that the notice was given. The notice shall describe the amount and use of the expenditure. An expenditure is obligated when an expenditure is made or an agreement to make an expenditure is made. The notice shall specifically state the name of the candidate the independent expenditure is intended to support or oppose. Each new expenditure shall require the delivery of an additional new
- (6) As used in this section, the "candidate's immediate family" means a candidate's spouse and any child, parent, grandparent, brother, half-brother, sister or half-sister of the candidate and the spouses of such persons.
- (7) This section does not apply to candidates for national or political party office.
- SECTION 16. (1) A corporation, professional corporation, nonprofit corporation or labor organization shall not make a contribution directly or indirectly from treasury funds to any candidate or political committee.
 - (2) Subsection (1) of this section does not apply to:
- (a) Contributions from a corporation, professional corporation, nonprofit corporation or labor organization to a political committee organized exclusively to support or oppose a measure;
- (b) Communications by a corporation, professional corporation or nonprofit corporation to its shareholders and executive or administrative personnel and their families or by a labor organization to its members and their families on

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any subject; and

- (c) Nonpartisan registration and get-out-the-vote campaigns by:
- (A) A corporation, professional corporation or nonprofit corporation aimed at its shareholders and executive or administrative personnel and their families; or
- (B) A labor organization aimed at its members and their families.
- (3) A candidate or the principal campaign committee of a candidate shall not accept a contribution prohibited by this section.

SECTION 17. For purposes of the expenditure limitations contained in section 6 of this 1994 Act and the contribution limitations contained in section 3 of this 1994 Act:

- (1) Contributions made by a person or political committee, either directly or indirectly, to or on behalf of a particular candidate or principal campaign committee of a candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate or the principal campaign committee of a candidate, shall be treated as contributions from the person or political committee to the candidate.
- (2) Contributions made by a person or political committee, either directly or indirectly, to or on behalf of a particular candidate or principal campaign committee of a candidate, through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the Intermediary or conduit to a candidate or principal campaign committee of a candidate if:
- (a) The contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than to the intended recipient; or
 - (b) The intermediary or conduit is:
- (A) A political committee other than a principal campaign committee;
- (B) An officer, employee or agent of a political committee other than a principal campaign committee;
- (C) A person required to register as a lobbyist under ORS 171.740; or
- (D) A labor organization or corporation prohibited from making contributions under section 16 of this 1994 Act, or an officer, employee or agent of a labor organization or corporation acting on behalf of the organization or corporation.
- (3) When a contribution Is made to a candidate or the principal campaign committee of a candidate through an intermediary or conduit, the intermediary or condult shall report the original source and the intended recipient of the contribution to the intended recipient and to the filling officer in statements filled under ORS 260.058 to 260.073.
- (4) Nothing in this section is intended to affect contributions prohibited under ORS 260.402.
- SECTION 18. (1) Except as provided in subsection (2) of this section, amounts received as contributions by a candidate or the principal campaign committee of a candidate for public office that are in excess of any amount necessary to defray campaign expenditures and any other funds donated to a holder of public office may be:
- (a) Used to defray any ordinary and necessary expenses incurred in connection with the recipient's duties as a holder of public office;
- (b) Transferred to any national, state or local political committee of any political party;
- (c) Contributed to any organization described in section 170(c) of Title 26 of the United States Code or to any charitable corporation defined in ORS 128.620; or

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(d) Used for any other lawful purpose.

(2) Notwithstanding subsection (1) of this section, amounts received as contributions by a candidate for public office that are in excess of any amount necessary to defray campaign expenditures and other funds donated to a holder of public office shall not be converted by any person to any personal use other than to defray any ordinary and necessary expenses incurred in connection with the person's duties as a holder of public office or to repay to a candidate any loan the proceeds of which were used in connection with the candidate's campaign.

(3) As used in this section:

(a) "Funds donated" means all funds, including but not limited to gifts, loans, advances, credits or deposits of money that are donated for the purpose of supporting the activities of a holder of public office. "Funds donated" does not mean funds appropriated by the Legislative Assembly or another similar public appropriating body or personal funds of the office holder donated to an account containing only those personal funds.

(b) "Public office" does not include national or political party office.

SECTION 19. ORS 316.102 is amended to read:

316.102. (1) A credit against taxes shall be allowed for voluntary contributions in money made in the taxable year:

(a) To a [national political party] major political party as defined in ORS 248.006 or to a committee thereof or to a minor political party as defined in ORS 248.008 or to a committee thereof.

(b) Except as provided in subsection (4) of this section, to or for the use of a person who must be a candidate for nomination or election to a federal, state or local elective office in any primary, general or special election in this state. The person must, in the calendar year in which the contribution is made, either be listed on a primary, general or special election ballot in this state or have filed in this state one of the following:

(A) A prospective petition;

(B) A declaration of candidacy;

(C) A certificate of nomination; or

(D) A designation of a principal campaign committee.

((a) To any trust, committee, accordation or organization (whether or not incorporated) organized and operated exclusively for any part or all of the following purposes:

[(A) Influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any federal, state or lead elective public office to be voted upon within this state if used by the trust, committee, association or organization to further the candidacy of an individual or individuals for nomination or election to such office; or

[(B) Supporting or opposing ballot measures or questions to be voted upon within this state if the trust, committee, accociation or organization has certified the name of its political treasuror to the filling officer in the manner provided by law.]

(c) To a political committee, as defined in ORS 260.005, organized and operated exclusively to support or oppose ballot measures or questions to be voted upon within this state if the political committee has certified the name of its treasurer to the filing officer, as defined in ORS 260.005, in the manner provided in ORS chapter 260.

(2) The credit allowed by subsection (1) of this section shall be the lesser of:

(a) The total contribution, not to exceed \$50 on a separate return; the total contribution, not to exceed \$100 on a joint return; or

(b) The tax liability of the taxpayer.

(3) The claim for tax credit shall be substantiated by submis-

sion, with the tax return, of official receipts of the candidate, agent, [truet₇] political party or committee thereof or political committee[, aesociation or organization] to whom contribution was made.

[(4) A credit against taxes for a contribution to a national political party or to a committee thereof chall be allowed under this section only if the state contral committee of the national political party, that is also a major political party under ORS 248,006, is organized in compliance with ORS 248,075. The Department of Revenue chall allow no credit against taxes for contributions to a national political party or to a committee thereof if the department receives notice from the Secretary of State under ORS 248,005.]

(4) A credit against taxes shall not be allowed under this section for voluntary contributions of money made in the taxable year to a candidate for statewide office or the office of state Senator or state Representative if the candidate has not filed a declaration of limitation on expenditures under section 6 of this 1994 Act for each election at which the candidate is a candidate for nomination or election indicating that the candidate will not make attributable expenditures in excess of the applicable limitations described in section 6 of this 1994 Act.

(5) As used in this section, ["national political party" means: "statewide office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Superintendent of Public Instruction and Commissioner of the Bureau of Labor and Industries.

[(a) In the eace of contributions made during a taxable year of the taxpayor in which the electers of President and Vice President are chosen, a political party presenting sandidates or electors for such offices on the official election ballot of 10 or more clates; or

(b) In the case of contributions made during any ether taxable year of the taxpayer, a political party which mot the qualifications described in paragraph (a) of this subsection in the last preceding election of a Precident and Vice Precident.

SECTION 20. ORS 260.083 is amended to read:

260.083, (1) A statement filed under ORS 260.058, 260.063, 260.068 or 260.073 shall list:

(a) Under contributions, all contributions received. Except as provided in ORS 260.085 and subject to the prohibitions of section 4 of this 1994 Act, the statement shall list the name, occupation and address of each person, and the name, address, identification number assigned under ORS 260.052 and primary nature of each political committee, that contributed an aggregate amount offil

[(A)] more than [\$100] \$50 on behalf of a candidate [for etatowide office, regarding a statewide measure] or to a political committee [supporting or opposing only such a candidate or measure,] and the total amount contributed by that person or political committee.

(B) More than \$50 on behalf of a candidate for other than a statewide office, regarding a measure other than a statewide measure or to a political committee supporting or opposing such a candidate or measure, and the total amount contributed by that person or political committee.

(C) More than \$50 to a political committee supporting or opposing both a candidate for statewide office or a statewide measure and a candidate for other than statewide office or a measure other than a statewide measure, and the total amount contributed by that person or political committee.] The statement may list as a single item the total amount of other contributions, but shall specify how those contributions were obtained.

(b) Under expenditures, all expenditures made, showing the amount and purpose of each. Each expenditure in an amount of more than \$50 shall be vouched for by an invoice, receipt or canceled check or an accurate copy of the invoice, receipt or check.

(c) Separately, and subject to the prohibitions of section 4 of this 1994 Act, all contributions made by the candidate or political committee [to any other candidate or political committee]

- (d) All loans, whether repaid or not, made to the candidate or political committee. The statement shall list the name and address of each person shown as a cosigner or guarantor on a loan and the amount of the obligation undertaken by each cosigner or guarantor. The statement also shall list the name of the tender holding the loan.
- (2) If an expenditure in an amount exceeding \$50 is a prepayment or a deposit made in consideration for any services, supplies, equipment or other thing of value to be performed or furnished at a future date, that portion of the deposit that has been expended during the reporting period shall be listed as an expenditure and the unexpended portion of the deposit shall be listed as an account receivable.
- (3) Anything of value paid for or contributed by any person shall be listed as both [e] an in-kind contribution and an expenditure by the candidate or committee for whose benefit the payment or contribution was made.
- (4) If a candidate or political committee makes an expenditure that must be reported as an in-kind contribution and an expenditure as provided in subsection (3) of this section, the candidate or political committee making the original expenditure shall, in any statement filed under ORS 260.058, 260.063, 260.068 or 260.073, identify the expenditure as an in-kind contribution and identify the candidate or political committee for whose benefit the expenditure was made.
- [(4)] (5) Expenditures made by an agent of a political committee on behalf of the committee shall be reported in the same manner as if the expenditures had been made by the committee itself.
- [(5)] (6) As used in this section "address" includes street number and name, rural route number or post-office box, and city and state.

SECTION 21. ORS 260,165 is amended to read:

- 260.165. (1)(a) Not less than once each year ending June 30, moneys designated for a major or minor political party by individual taxpayers under ORS 316.487, less the amount appropriated for administrative costs as provided in paragraph (b) of this subsection, shall be paid to the treasurer of the political party by the Department of Revenue shall determine the procedure for payment by administrative rule.
- (b) Of the moneys designated for a major or minor political party under ORS 316.487, not more than three percent per fiscal year ending June 30 are continuously appropriated for use in reimbursing the General Fund for costs of administering the checkoff program established under ORS 316.487.
- (2) Of the moneys paid to the treasurer of a major political party under subsection (1) of this section:
- (a) The treasurer shall distribute not less than 50 percent of the moneys to the treasurers of the county central committees of the party; and
- (b) Not less than 50 percent of the moneys remaining after the distribution to the county central committees under this subsection shall be paid to candidates of the major political party.
- (3) Not less than 50 percent of the moneys paid to the treasurer of a minor political party under subsection (1) of this section shall be distributed to candidates of the minor political party.
- (4) Of the moneys distributed to the county central committees of a major political party under subsection (2) of this section, not less than 50 percent of the moneys received by each county central committee shall be distributed to candidates of the major political party.
- (5) The state central committee of a major political party shall adopt bylaws establishing a formula for the distribution of moneys to the treasurers of the county central committees under

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subsection (2) of this section.

(6) A major political party, as defined in ORS 248.006, shall be eligible to receive meneys under this section only if the state central committee of the major political party is organized in compliance with ORS 248.075. The Department of Revenue chall not distribute meneys under this section to a major political party if the department receives notice from the Secretary of State under ORS 248.005.

SECTION 22. Nothing in this Act is intended to limit contributions or expenditures received or made prior to the effective date of this Act. Contributions and expenditures may be made in accordance with the provisions of this Act after the effective date of this Act from funds raised prior to the effective date of this Act.

SECTION 23. (1) Upon petition of any person, original jurisdiction is vested in the Supreme Court of this state to review and determine the constitutionality of this Act. The Supreme Court shall have sole and exclusive jurisdiction of proceedings initiated under this section.

(2) If any part of this Act is held unconstitutional, the remaining parts shall remain in force unless the court specifically finds that the remaining parts, standing alone, are incomplete and incapable of being executed.

SECTION 24. The amendments to ORS 316.102 by section 19 of this Act first become operative January 1, 1995, and apply to tax years beginning on or after January 1, 1995.

SECTION 25. Sections 2 to 18 of this Act are added to and made a part of ORS chapter 260.

SECTION 26. ORS 248.095 and sections 25, 60 and 61, chapter 267, Oregon Laws 1987, are repealed.

NOTE: **Boldfaced** type indicates new language; [brackets and overstriking] indicate deletions or comments.

EXPLANATORY STATEMENT

Measure 9 revises laws relating to the financing of election campaigns. Major provisions of the measure include limits on amounts that could be contributed to certain candidates, optional limits on the amount those candidates could spend at the primary and general elections and a ban on certain political contributions. The measure would not apply to federal and ballot measure elections.

Contribution Limits

At each election, a person or political action committee (PAC) could contribute no more than \$500 to a candidate for statewide office and no more than \$100 to a candidate for the legislature. An individual could contribute no more than \$100 to a PAC each year.

At each election, political parties could contribute no more than \$25,000 to a candidate for Governor, \$10,000 to a candidate for certain other statewide offices and \$5,000 to a candidate for the legislature. An individual could contribute no more than \$1,000 each year to a political committee organized by a political party.

Contribution limits would be waived if an opponent spends personal funds in excess of \$25,000 for a statewide office or \$10,000 for a legislative office. Any violation of the contribution limits could be penalized by fines up to \$1,000 or three times the amount of the excess contribution.

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Expenditure Limits

The measure sets optional expenditure limits for candidates for statewide office and legislative office as follows:

Position	Primary Election:	General Election:
Governor	\$500,000	\$1,000,000
Other Statewide	\$200,000	\$400,000
State Senate	\$30,000	\$60,000
State House	\$20,000	\$40,000

The Voters' Pamphlet would indicate whether each candidate has chosen to limit expenditures. The limits would be waived if any opposing candidate did not agree to limit expenditures or exceeded the expenditure limit. A candidate who agreed to limit expenditures and exceeded the limit could be fined up to twice the amount of the excess expenditure and be subject to other penalties.

Other Provisions

Most "pass-through" contributions between candidates, between candidates and PACs and between PACs would be prohibited.

Corporations and labor organizations would be prohibited from making direct contributions to candidates.

The measure defines terms such as "contribution" and "expenditure." The measure sets rules for determining when expenditures are independent of a candidate and when they are made in cooperation with a candidate. If expenditures are not independent, they would count as contributions to the candidate and expenditures by the candidate. Independent expenditures in excess of \$25,000 for statewide office or \$10,000 for legislative office would have to be reported to the Secretary of State and the candidates.

Candidates could not use campaign funds for personal purposes.

Tax credits would be eliminated for contributions to candidates who choose not to comply with the expenditure limits. Tax credits would be eliminated for contributions to certain PACs.

Committee Members:

Joel Ario Harry Lonsdale Steve Lanning Dave Moss* Annette Talbott

Appointed by:

Chief Petitioners
Chief Petitioners
Secretary of State
Secretary of State
Members of the Committee

* Member dissents (does not concur with explanatory statement)

(This impartial explanation was prepared by a committee pursuant to ORS 251.225 and certifed by the Supreme Court of the State of Oregon pursuant to ORS 251.235.)

ARGUMENT IN FAVOR

RECLAIM STATE GOVERNMENT FOR AVERAGE CITIZENS VOTE YES ON MEASURE 9

Once upon a time, political campaigns in Oregon were financed by small contributions from individual citizens. Just 20 years ago, average candidates for the Oregon House raised almost twothirds of their contributions from individuals, and only 22% from political action committees (PACs). By 1992 the individual share had shrunk to 13%, and the PAC share had mushroomed to 69%.

PAC contributions are meant to buy influence and win votes in the legislature. PAC contributions overwhelmingly favor incumbent legislators. Challengers get only 16 cents of every PAC dollar. Strong potential challengers shy away from taking on entrenched incumbents because challengers cannot compete with big money from special interests. Incumbents had a 90% reelection rate in 1992.

Another result of the PAC/incumbent alliance is that, once elected, our representatives are beholden to big campaign contributors. The special influence dominance of the legislative process results in gridlock on the issues that matter to Oregonians, and it fuels voter cynicism about state government.

AARP believes it is time for a change.

Measure 9 will stop the special interest dominance of the legislature. A \$100 contribution limit will put average Oregonians on an equal footing with PACs and other well-financed interests.

Measure 9 will give challengers a fighting chance and voters real choices in electing representatives. A \$100 contribution limit will make all candidates more reliant on smaller contributions from individuals.

Measure 9 will slow runaway campaign spending. By limiting big money in Oregon politics, Measure 9 will encourage political campaigns that focus on ideas instead of 20-second TV sound bites.

AARP urges you to vote YES on Measure 9

(This information furnished by Ralph O. Lidman, Chairman, Oregon State Legislative Committee, American Association of Retired Persons.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

Measure No. 9

ARGUMENT IN FAVOR

One of the most important things we can do to regain control of our government is to reform the method we use to finance our elections. We try to elect outstanding citizens to serve us in our government, but our present election financing method is flawed, in that it is subject to abuses by special interests which tends to thwart the will of the people. WE MUST REFORM THE SYSTEM.

Twenty years ago it cost \$3000 to run for the Oregon Legislature and most campaign contributions came from individual Oregonians. Today it costs \$38,000 and two-thirds of the money comes from special interest PACs.

OREGON IS CURRENTLY ONE OF SEVEN STATES WITH NO LIMIT ON CAMPAIGN CONTRIBUTIONS.

THE PURPOSES OF THIS INITIATIVE ARE:

To prohibit the personal use of campaign funds.

To create spending caps for legislative and statewide races.

To reduce the influence of PACS and other interest groups.

To expand access to elections for less well financed candidates.

To promote small individual contributions as the foundation of a healthy campaign finance system.

OTHER PROVISIONS OF THE INITIATIVE WOULD:

Require individual disclosure for contributions of \$50 or more.

Ban pass throughs and limit bundling of contributions.

Close various loopholes, and impose tough penalties.

Place \$100 limits on individual and PAC contributions to legislative candidates.

Eliminate tax benefits for candidates who exceed spending caps.

Ban corporate and labor union contributions.

UNITED WE STAND AMERICA-Oregon does not believe this to be a perfect initiative, but we feel this is the strongest initiative that can be offered without amending the Oregon constitution; and therefore urge voters to support it.

UNITED WE STAND AMERICA-OREGON 3896-22 Beverly NE

Salem, OR 97305

(This Information furnished by Micki Summerhays, State Chair, Jane Montgomery, State Vice Chair/Secretary, United We Stand America-Oregon.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

The printing of this argument does not constitute an endorsement by the State of Oregon, nor does the state warrant the accuracy or truth of any statement made in the argument.

ARGUMENT IN FAVOR

NORMA PAULUS URGES OREGONIANS TO VOTE YES ON MEASURE 9

Our political process is on the verge of being bought and sold. Special interests have an undue influence on legislative affairs because of unbridled campaign spending.

Campaign spending in Oregon legislative races has increased 10-fold in the last two decades. The average candidate for the Oregon House spent about \$3,000 to get elected in 1972 and \$38,000 in 1992. Spending on races for the Senate and statewide offices has increased at the same rate.

Oregon is one of only seven states that has no limits on campaign contributions. The legislature has repeatedly failed to enact any campaign finance reform in the past 20 years. As a result, Oregon political campaigns have become extended fundraising events. We can do much better.

By voting <u>YES</u> on Measure 9, you can help put an end to skyrocketing campaign spending. Measure 9 sets contribution and spending limits for legislative and statewide campaigns.

Help us reduce campaign spending. Please vote YES on Measure 9.

Norma Paulus

(This information furnished by Norma Paulus.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

Measure No. 9

ARGUMENT IN FAVOR

OREGONIANS! TAKE BACK THE SYSTEM

The League of Women Voters of Oregon challenges Oregonians to join the campaign to re-establish the individual's influence over their elected official.

Who has the control now? Special interest groups, such as political action committees - PACs, who donate large sums of money to finance political campaigns.

LET US LOOK AT THE FIGURES:

1972

1992

49 PACS

339 PACS

\$400,000 spent/elections

\$10 million spent/elections

In 1972, an average Oregon Representative raised 61% of her contributions from individuals, 22% from PACS.

In 1992, the breakdown is 13% from the individual, 69% from PACS.

(Figures from PACs Over People, OSPIRG May 1994)

Are citizens apathetic, angry, disillusioned and frustrated as they watch their influence decrease? The League believes Yes. A national League opinion poll, ACTION OR APATHY 1993, showed that the public's cynicism about government is deeply entrenched and that a large majority of Americans believe that they have very little influence over government.

The League of Women Voters is dedicated to empowering citizens. We believe that Ballot Measure #9, will help to combat corruption and undue influence in Oregon politics by enabling candidates to compete more equitably for public office.

Voter revolution is critical to regain citizen control of the Oregon political process. The individual citizen should be heard; and this should not depend on whether or not the voter has donated to a particular campaign nor on how much money has been contributed.

THE GOVERNMENT BELONGS TO ALL OF US. OREGON CITIZENS SHOULD HAVE THE POWER

VOTE YES ON BALLOT MEASURE #9

(This information furnished by Cherl Unger, President, League of Women Voters - Oregon.)

(This space purchased with a petition containing the signatures of 2,500 voters eligible to vote on the measure in accordance with 1993 Or. Laws 811 §11.)

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ARGUMENT IN FAVOR

There is <u>way</u> too much money in Oregon elections.

Oregon Common Cause urges you to:

VOTE YES ON #9 LIMIT ELECTION MONEY SAVE TAX DOLLARS

In 1908 contributions to Oregon elections were limited to \$100 by the "Corrupt Practices Act Governing Elections" in an initiative petition that passed 54,042 YES to 31,301 NO. One of the arguments in favor of this initiative said that the right to spend large sums of money in elections tends to the choice of none but rich men, or tools of wealthy corporations!

Over the years that limit was increased twice, until in 1973 it was repealed. But a broader more complex limitation on campaign <u>spending</u> was enacted. This limitation was in effect through the 1974 election. In 1975 the Oregon Supreme Court ruled that spending limitation unconstitutional, and the legislature repealed the law.

But the legislature failed to restore the law that had been in effect from 1908 to 1973.

BALLOT MEASURE #9 does what the legislature has failed to do for 20 years.

BALLOT MEASURE #9 restores contribution limits that were in Oregon's election law from 1908 to 1973.

BALLOT MEASURE #9 enacts constitutional voluntary spending limits.

BALLOT MEASURE #9 eliminates tax credits to PACs and big spending candidates.

BALLOT MEASURE #9 bans personal use of campaign funds.

BALLOT MEASURE #9 bans corporate contribution. Corporate contributions to House candidates went from \$57,799 in 1982 to \$531,386 in 1992, a 919% increase in 10 years!

BALLOT MEASURE #9 saves taxpayer dollars. The state financial impact statement estimates a savings of two million dollars per year.

It's time to reclaim our government by restoring an election system in which small contributions by individual Oregonians are once again the primary source of campaign funding.

IMPROVE OREGON ELECTIONS SAVE TAX DOLLARS VOTE YES ON BALLOT MEASURE #9

OREGON COMMON CAUSE

(This information furnished by David Buchanan, Executive Director, Oregon Common Cause.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

Measure No. 9	Measure No. 9	
ARGUMENT IN FAVOR	ARGUMENT IN FAVOR	
GET BIG MONEY OUT OF OREGON POLITICS VOTE <u>YES</u> ON MEASURE 9	I strongly support this initiative because I've seen, firsthand, the impact of special-interest money on elections.	
We are losing control of our state government. The problem is ig money. Oregon politicians are spending more of it and get- ng more of it from special interests than ever before. As PACs, orporations and lobbyists pour more and more money into cam- aigns, our votes count for less and less.	In 1990, I ran for the U.S. Senate from Oregon. In the final few weeks of that campaign, as the polls showed the race quite close, my opponent raised almost a million dollars from special-interest PACs. He used that money to run negative TV ads against me all across the state. And he won. What political debts did he incur in taking that money? What has it cost us Oregon	
We must act now to clean up government. The survival of our emocratic system depends on it, as does the credibility of our egislators in representing the public interest on issues ranging om the environment to health care to education.	taxpayers? We've simply got to get the special-interest money out of our elections. Whatever your issue whether it's preserving our ancient forests, maintaining our land-use laws, or progressive tractions they expense	
Our democracy in Oregon is suffering from the <u>pervasive</u> and corrupting influence of special interest money-PACs, well-eeled lobbyists, the big campaign contributions, the multi-nillion dollar corporate ad campaigns to influence policy. Until ye put an end to the domination of elections by big money, we	taxation there are powerful, wealthy folks on the other side who can "outvote" you with their wallet. This initiative will end that kind of abuse on the state level and give the power back to the people.	
verage Oregon citizens. he Oregon legislature has talked around this problem for the	There will be opponents of this initiative. Most of them are those who are already on the "inside". They use their money to buy influence with the legislature and with the Governor.	
ast two decades and done nothing to reform itself. The result is ridlock, with legislators unwilling to offend big campaign donors y standing up for the public good. Real reform won't come from alem, it must come from the voters.	Don't let them win again. Study this measure, and cast your vote for it. It will change Oregon politics forever.	
leasure 9 will help us reclaim our government by restoring an ection system in which politicians are accountable to Oregon oters, not the special interests. It's simple and effective reform.	Harry Lonsdale	
leasure 9 will establish a strict \$100 limit on contributions to gislative candidates to reduce the influence of well-financed pecial interests.	(This information furnished by Harry Lonsdale.)	
leasure 9 will establish spending caps for Oregon races to eeze spending at current levels.		
leasure 9 will also ban the personal use of campaign funds, ose loopholes, and impose tough penalties for violations.		
leasure 9 will get big money out of Oregon politics. Vote yes to ean up our government. Vote YES on Measure 9.		
This information furnished by Maureen Kirk, Executive Director, Oregon tate Public Interest Research Group (OSPIRG).)		
This space purchased with a petition containing the signatures of 2,500 oters eligible to vote on the measure in accordance with 1993 Or. Laws 11 §11.)	(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)	
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Measure No. 9

ARGUMENT IN FAVOR

YES ON 9

We encourage Oregonians to support ballot measure 9 to limit the influence of special interest money on campaigns. Too much money in Oregon politics has distorted the political process -- special interests have undue influence, and qualified challengers are inhibited from running for office. Oregonians now feel excluded from their own democratic institutions, and see the legislature as being unresponsive to their concerns.

The sponsoring organizations of this measure faithfully worked within the legislative process in the past to assist in the passing of campaign finance reform laws. Political gamesmanship and special interests have proved more powerful than grassroots citizen involvement, and the Oregon legislature has failed to pass campaign finance reform. After 20 years of waiting for the legislature to reform some of the weakest campaign finance laws in the nation, the sponsors felt compelled to put this issue before the voters.

The objectives of measure 9 are straight forward. One is to return the funding of campaigns to individuals instead of special interest groups. Twenty years ago individuals provided nearly 60% of campaign contributions in Oregon now it is less than 20% with special interests providing most of the rest. A legislature elected with the help of individuals will be less influenced by special interest groups and more responsive to Oregonians. The second goal is to increase competition in campaigns by placing spending limits on candidates. This should make races more fair and encourage challengers to run against incumbents.

Please Vote Yes On 9 to help rejuvenate Oregon democracy by making individual contributions and candidate spending limits the foundation of campaign funding.

(This information furnished by Knute Buehler, American Party of Oregon.)

ARGUMENT IN FAVOR

\$100 LIMITS WILL PUT CITIZENS BACK IN CONTROL OF STATE GOVERNMENT -- VOTE YES ON MEASURE 9

Have you ever contributed \$30,000 to a political campaign? How about \$20,000 or \$10,000? No? The special interests make campaign contributions like these to our state legislators every election cycle. Special interest PACs make huge campaign contributions to Oregon politicians to buy influence with our representatives. The special interests win. The public interest loses.

It is time to level the playing field.

Measure 9 will reduce the influence of special interest PACs and make politicians accountable to average voters. Measure 9 sets strict \$100 limits on campaign contributions from PACs and individuals.

- \$100 limits equalize the ability of people to influence elections through the power of money. Under the limits, an average voter can more easily afford to give the same amount a corporate executive can give. The lower limits give many more people equal political clout.
- \$100 limits make political campaigns more citizen oriented. Politicians will have to reach out directly to more people, hoping their message results in more--but smaller--contributions.
- \$100 limits reward organization over wealth. Those who have mass constituencies and the ability to organize citizens, will have an advantage over interests who have historically relied only on the power of their checkbook.
- \$100 limits stop the escalation in campaign spending. The limits, in themselves, will squeeze money out of the system and reverse campaign spending trends.
- \$100 limits reduce the legislative clout of well-heeled corporate interests. Corporate PACs and wealthy executives who have grown to dominate campaign funding will lose their ability to dominate the legislature as candidates become less dependent on them for campaign funds. Ideas will be more important at election time, and democracy will be advanced.

Vote YES on Measure 9.

(This information furnished by Tim Raphael, Campaign Director, Coalition For Campaign Finance Reform.)

(This space purchased for \$500 in accordance with 1993 Or. Laws 811 §11.)

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Measure No. 9	Measure No. 9
ARGUMENT IN FAVOR	ARGUMENT IN OPPOSITION
BAN THE PERSONAL USE OF CAMPAIGN FUNDS. VOTE <u>YES</u> ON MEASURE 9	Do you want informed, reasonable choices when you vote? If so, vote no on Measure 9.
/hat if Oregon politicians could collect campaign contributions om you, build a political war chest, decide not to run for office, and write a check to themselves from their campaign. Houses what? They canand they do. There is no law barring the ersonal use of campaign contributions. Measure 9 will change if that.	VOTE NO IF YOU WANT CANDIDATES WHO CAN TELL YOU WHY THEY ARE RUNNING. • Political campaigns cost money. Communication—printing, postage and advertising—costs money. Oregon's Lottery Commission spent \$7 million promoting gambling last year. Measure 9 limits for a candidate for governor in the general election are one-seventh of that.
ome Oregon politicians just don't get it. Asked what he would be with thousands of dollars in leftover campaign contributions, stiring House Speaker Larry Campbell told the <i>Oregonian</i> on eptember 4, 1993, "I can do any damn thing I want with it."	 The state budget this biennium is over \$20 BILLION. How much is too much to invest deciding who spends that? Candidates could not raise enough money to communicate with voters under these contribution limits. Do we need a \$100 contribution limit? Would any candidate be bribed by a \$101 contribution?
ot if we pass Measure 9. Ban the personal use of campaign ands.	The spending limits will make it impossible to run effective informative campaigns.
ote <u>YES</u> on Measure 9.	VOTE NO IF YOU WANT RESPONSIBLE CANDIDATES TO RUN FOR OFFICE.
This information furnished by Shaun H. Sieren.)	 Candidates already must sacrifice their privacy and much more. This poorly-written measure will expose them to huge fines for campaign activities by others beyond their control. After over 20 years of practicing election law and writing legislation, I find key provisions of this measure unintelligible. Read it. Try to understand section 8, using the definitions in section 1.
	Would you run for office if you could be fined thousands of dollars under a law you can't understand for activities you cannot control?
	Only 5% of all Oregon taxpayers care enough to contribute to political campaigns. That 5% is not the problem. The problem is the 95%. Democracy has a price. Campaign limits will not cure voter apathy.
	We have had contribution limits on federal candidates for 20 years. Have they made Congress better?
	This measure turns control of our political system over to the media, well-known incumbents, unemployed candidates with nothing better to do than knock on doors, and wealthy candidates who can spend unlimited amounts of their own money under the measure.
	(This information furnished by Warren Deras.)
This space purchased with a petition containing the signatures of 2,500 oters eligible to vote on the measure in accordance with 1993 Or. Laws 11 § 11.	(This space purchased for \$500 in accordance with 1993 Or. Laws 811 \$11.)