

TESTIMONY OF DANIEL MEEK ON SB 270A

before the House Committee on Rules

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on behalf of the Progressive Party of Oregon and Fair Elections Oregon

Daniel Meek
10949 S.W. 4th Avenue
Portland, OR 97219
503-293-9021
dan@meek.net

The Progressive Party of Oregon and Fair Elections Oregon adamantly oppose the provision in SB 270A (Section 6) that would allow any person or entity to opt out of campaign finance reporting merely by paying a fine limited to \$5,000 for each calendar month during which the reporting requirements are ignored.

Section 6 would amend ORS 260.232 to limit to \$5,000 the total fines that the Secretary of State can impose on any person or entity for failure to comply with the campaign finance reporting requirements. This applies not only to candidate campaigns and measure committees and chief petitioner committees but also to the reporting of independent expenditures. It would add these subsections to ORS 260.232:

(8) The Secretary of State may not impose a penalty under this section that exceeds an aggregate total of \$5,000 for any one calendar month.

(9) The period for which a penalty may be assessed under this section shall begin on the date that is the final date by which a statement or certificate may be timely filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.102, 260.112 or 260.118.

The testimony before the Senate Rules Committee clarified the intent of these sections. They are intended to reduce the penalties for any person or entity that is required to file campaign contribution or expenditure reports to a grand total of \$5,000 for all violations occurring in a single month. For example, say a campaign committee were to receive in August 2012 contributions adding up to \$1 million. This would not be unusual for a statewide campaign of a candidate or ballot measure. Under current law, all of the contributors and their occupations (for contributors of more than \$100 during the election cycle) would have to be reported on ORESTAR during September 2012. Under SB 270a, however, the committee need not disclose any of its contributors or even that the contributions were made, upon payment of a single \$5,000 fine to cover its violations during an entire month, no matter how many violations or their magnitude.

SB 270a would eviscerate the Oregon campaign finance reporting system, leaving well-funded campaigns the option of not reporting their contributions at all. For large campaigns, it may well cost more than \$5,000 in some months just to comply with existing ORESTAR requirements. So it would be cheaper simply not to report contributions at all for such months. SB 270a would allow the anonymous cloaking of all of the contributions to any campaign and all independent expenditures by any person or entity, merely upon payment of the \$5,000 fine.

The Secretary of State's Director of Elections testified at the Senate Rules Committee that the Secretary of State is neutral on this bill. We call upon the Secretary to take a stand and demand the removal of Section 6.