

**March 21, 2017**



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**Oregon Progressive Party  
Position on Bill at 2017  
Session of Oregon Legislature:**

**HB 2505: Support**

Dear Committee:

The Oregon Progressive Party (OPP) supports this bill, which expands definition of "independent expenditure" to include aggregate expenses of \$750 or more that refer to candidate, measure or political party within 30 calendar days of primary election or 60 calendar days of general election.

This is a minor improvement in the campaign reporting system. The bill should be amended to require that the 5 largest true original sources of funds for political ads paid for by independent expenditures be prominently disclosed in the ads, as is required in Multnomah County elections as of September 2017 under Measure 26-184, adopted by a 89-11% vote in Multnomah County in November 2016. Our proposal for statewide taglines is attached.

**Oregon Progressive Party**

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## OREGON NEEDS “TAGLINES” ON CAMPAIGN ADS TO DISCLOSE THE TRUE SOURCES OF BIG MONEY IN OREGON ELECTIONS

Voters should know who are paying for political ads in order to judge credibility of the messages and so stop electing politicians beholden to corporate polluters.

46 states have laws requiring that political advertisements identify their sources. The Oregon Legislature in 2001 repealed the Oregon law requiring that. **Here it is legal to do political ads and never identify their source or who paid for them.**

**The Corporate Reform Coalition (75 prominent organizations) in 2012 concluded that only 6 states have worse systems than Oregon for disclosing "independent expenditures" that pay for political ads. Oregon earned an F, while Washington got an A. Oregon has not improved since 2012.**

In Oregon it is easy to run political ads without disclosing the names or businesses of the donors who are paying for them. Independent expenditures can be run through a **501(c)(4) “dark money”** nonprofit corporation with a nice name. The corporation never has to identify where its money came from, making it impossible to identify the true sources.

Even if the ads are purchased by the candidate's PAC, Oregon does not require that the ad identify the PAC or any of its sources of money. Yes, you can look up the contributions to the candidate's PAC on Oregon's campaign reporting system, ORESTAR. But those contributions often come from other PACs, which in turn are funded by yet other PACs. Unlike most states, **Oregon allows unlimited PAC-to-PAC transfers**, which can be used to hide the true sources of the money.

And many PACs in Oregon have very misleading names. For example, “Oregonians for Food and Shelter PAC” is actually funded by chemical and

agribusiness corporations. “Responsible Citizens for Healthy Hospitals, Schools, Forests and Farms” is funded by timber companies.

Further, these PACs are often funded by nonprofit corporations with misleading names. Requiring the voter to spend hours on internet research to find out the funding sources is not at all the same as revealing them directly in the political ad itself.

Multnomah County Measure 26-184, adopted in November 2016 by a vote of 89-11%, requires that every political ad in a Multnomah County candidate race state, **in the ad itself, the 5 largest true, original sources of money** used to fund it.

Several states have adopted tagline requirements that mandate that political advertisements identify their true, original major sources of funding, including California, Washington, Connecticut and Maine.

## **TAGLINE REQUIREMENTS IMPACT ELECTION OUTCOMES**

Mandatory taglines on candidate ads foiled the massive attempt by Chevron, Inc. In 2014 to take over the government of Richmond, California, a city of about 120,000 people.

Accidents (including huge explosions) at the Chevron refinery in Richmond released toxic gases. The Richmond City Council pushed for toxic controls and sued Chevron for damages resulting from a major fire in 2012 that sent thousands of Richmond residents to hospitals. Chevron decided to take over the city government by running candidates for mayor and city council in 2014. Chevron spent over \$3 million promoting its 4 candidates (\$281 per voter), outspending the environmentalist candidates by a factor of 50.

But California law required that the ads identify their major funder: **Chevron, Inc.**

**All of Chevron's candidates lost overwhelmingly.**

See [http://pdxcleanair.org/richmond\\_article](http://pdxcleanair.org/richmond_article)

For more information:

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