

CHAPTER 9**AN ACT**

HB 4024

Relating to campaign finance; creating new provisions; amending ORS 162.005, 260.005, 260.042, 260.232, 260.266, 260.345, 260.402, 260.715 and 260.995; repealing ORS 260.275, 260.281 and 260.285 and chapter 3, Oregon Laws 2007; and prescribing an effective date.

Be It Enacted by the People of the State of Oregon:

CONTRIBUTION LIMITS

SECTION 1. Sections 2 to 5b and 9 of this 2024 Act are added to and made a part of ORS chapter 260.

SECTION 2. As used in sections 2 to 5b, 9, 13 and 14a of this 2024 Act and ORS 260.266:

(1) “Election” means an election at which one or more candidates compete to be elected to a public office.

(2)(a) “Election cycle,” except as provided in paragraph (b) of this subsection, means the period starting on January 1 of an odd-numbered year and ending on December 31 of an even-numbered year.

(b) “Election cycle,” for an election contest that does not occur on the date of a general election, means the period starting on the day after the date of an election at which a candidate is elected to public office and ending on the date of the next election for the same office, regardless of any other elections that occur during that period.

(3) “Legislative caucus committee” means a political committee established by a caucus of a political party in the Oregon Senate or the Oregon House of Representatives that is controlled by an elected leader of the caucus that established the committee. A political party may not establish more than one legislative caucus committee in each chamber of the Legislative Assembly.

(4) “Measure political committee,” “multi-candidate political committee,” “political party multicandidate committee,” “recall political committee” and “small donor political committee” have the meanings given those terms in ORS 260.042.

(5) “Membership organization” means an organization that:

(a)(A) Is tax exempt under section 501(c) of the Internal Revenue Code;

(B) Has filed all necessary materials to obtain tax exempt status under section 501(c) of the Internal Revenue Code with the federal Internal Revenue Service and has been in existence for at least 18 months; or

(C) Is fiscally sponsored by an organization that is tax exempt under section 501(c) of the Internal Revenue Code; and

(b) Is composed of members, either individuals or entities, who:

(A) Have taken action to join the organization; and

(B) For each year of membership, on an annual or more frequent basis, either pay monetary membership dues, make a monetary donation as a condition of maintaining membership in the organization or volunteer time as a condition of maintaining membership in the organization.

(6) “Membership organization political committee” means a political committee that has been established by a membership organization. A membership organization may only have one membership organization political committee.

SECTION 3. (1)(a) For purposes of the contribution limits established in sections 4 and 5 of this 2024 Act, contributions made or donations received by multiple membership organizations are considered to be made or received by a single membership organization, if the membership organizations are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(b) Notwithstanding paragraph (a) of this subsection, the same person acting as a director or officer of two or more membership organizations is not by itself sufficient to consider contributions made or donations received by the membership organizations to be contributions made or received by a single membership organization.

(c) Notwithstanding paragraph (a) of this subsection, membership organizations may not be considered established, financed, maintained or controlled by the same person or within the same group of persons if the membership organizations have the authority to make independent decisions as to which candidates, if any, to support or oppose.

(2) A membership organization may make political contributions directly or through a membership organization political committee, but may not make aggregate contributions that exceed the contribution limits of sections 4 and 5 of this 2024 Act.

SECTION 4. (1)(a) A candidate for state office or the principal campaign committee of a candidate for state office may accept contributions only from the sources and in the amounts described in this section.

(b) An in-kind contribution under this section may only be made by a contributor that is authorized to make a contribution under this

chapter and may only be received by a political committee.

(c) Except as provided in paragraph (d) of this subsection, the limits on aggregate contributions that may be accepted by a candidate or the principal campaign committee of a candidate for the office of state Representative under this section also apply to a candidate or the principal campaign committee of a candidate for any public office that is not a state office.

(d)(A) Any local government that, as of January 1, 2024, had a system of contribution limits in effect for local elections may maintain or adopt contribution limits that are lower than those required by this section and may limit the sources that may make contributions to candidates in local elections, except that a local government system of contribution limits described in this subparagraph must permit small donor political committees to accept contributions from individuals of up to \$250 per year, as provided in subsection (8)(a) of this section.

(B) For any local government that is not described in subparagraph (A) of this paragraph:

(i) Except as provided in subsection (8)(a) of this section, a local government may adopt contribution limits that are lower than those required by this section for elections of the local government.

(ii) Any contribution limits adopted by a local government under this subparagraph must allow a candidate or the principal campaign committee of a candidate for an election contest of the local government to accept contributions from any political committee from which a candidate or the principal campaign committee of a candidate for the office of state Representative may accept contributions under subsection (2)(a) of this section.

(C) Any local government may provide public funding for campaigns for local government public office that are not subject to contribution limits under this section or section 5 of this 2024 Act.

(2) A candidate or the principal campaign committee of a candidate for the office of state Representative, state Senator, circuit court judge or district attorney:

(a) May not accept aggregate contributions in excess of \$3,300 per election from a person.

(b) May not accept aggregate contributions in excess of \$2,000 per election from a candidate political committee.

(c) May not accept aggregate contributions in excess of \$5,000 per election cycle from a multicandidate political committee.

(d) May not accept aggregate contributions in excess of \$15,000 per election from a political party committee.

(e) May not accept aggregate contributions in excess of \$15,000 per election from a legislative caucus committee.

(f) May not accept aggregate contributions from a membership organization or membership organization political committee per election in excess of \$3,300 times four.

(g) May not accept aggregate contributions per election from a small donor political committee in excess of \$5 times the number of donors to the small donor political committee.

(3) A candidate or the principal campaign committee of a candidate for a state office not described in subsection (2) of this section:

(a) May not accept aggregate contributions in excess of \$3,300 per election from a person.

(b) May not accept aggregate contributions in excess of \$2,000 per election cycle from a candidate political committee.

(c) May not accept aggregate contributions in excess of \$5,000 per election cycle from a multicandidate political committee.

(d) May not accept aggregate contributions in excess of \$30,000 per election from a political party committee.

(e) May not accept aggregate contributions in excess of \$30,000 per election from a legislative caucus committee.

(f) May not accept aggregate contributions from a membership organization or membership organization political committee per election in excess of \$3,300 times eight.

(g) May not accept aggregate contributions per election from a small donor political committee in excess of \$10 times the number of donors to the small donor political committee.

(4) A multicandidate political committee:

(a) May not accept aggregate contributions in excess of \$5,000 per election cycle from a person.

(b) May not accept aggregate contributions in excess of \$5,000 per year from a candidate political committee.

(c) May not accept aggregate contributions in excess of \$5,000 per year from another multicandidate political committee.

(d) May not accept aggregate contributions in excess of \$5,000 per election cycle from a political party committee.

(e) May not accept aggregate contributions in excess of \$5,000 per year from a legislative caucus committee.

(f) May not accept aggregate contributions from a membership organization or membership organization political committee in excess of \$5,000 per year.

(g) May not accept aggregate contributions from a small donor political committee per election in excess of \$5,000 per year.

(5) A political party committee:

(a) May not accept aggregate contributions in excess of \$10,000 per year from a person.

(b) May not accept aggregate contributions in excess of \$5,000 per year from a candidate political committee.

(c) May not accept aggregate contributions in excess of \$15,000 per year from a multicandidate political committee.

(d) May not accept aggregate contributions in excess of \$15,000 per year from another political party committee.

(e) May not accept aggregate contributions in excess of \$15,000 per year from a legislative caucus committee.

(f) May not accept aggregate contributions in excess of \$10,000 per year from a membership organization or membership organization political committee.

(g) May not accept aggregate contributions from a small donor political committee in excess of \$10,000 per year.

(6) A legislative caucus committee:

(a) May not accept aggregate contributions in excess of \$10,000 per year from a person.

(b) May not accept aggregate contributions in excess of \$5,000 per year from a candidate political committee.

(c) May not accept aggregate contributions in excess of \$15,000 per year from a multicandidate political committee.

(d) May not accept aggregate contributions in excess of \$15,000 per year from a political party committee.

(e) May not accept aggregate contributions in excess of \$15,000 per year from another legislative caucus committee.

(f) May not accept aggregate contributions in excess of \$10,000 per year from a membership organization or membership organization political committee.

(g) May not accept aggregate contributions from a small donor political committee in excess of \$10,000 per year.

(7) Contributions to a measure political committee are not limited under this section.

(8)(a) A small donor political committee:

(A) May not accept contributions in excess of \$250 per year from an individual.

(B) May not accept contributions from a candidate political committee, multicandidate political committee, political party committee, legislative caucus committee or a membership organization.

(C) May not accept contributions from another small donor political committee.

(b) The number of donors to a small donor political committee shall be determined by the number of unique individuals who have donated funds to the committee during the election cycle in which the small donor political committee donation is made.

(9) A membership organization:

(a) May accept unlimited donations from a person and from another membership organization or membership organization political committee.

(b) May not accept donations from a candidate political committee, multicandidate political

committee, political party committee, legislative caucus committee or a small donor political committee.

(10) A donor may not make a contribution, or an aggregate of contributions during an applicable limitation period, to a recipient that exceeds the amount a recipient could accept under the limitations of subsections (2) to (9) of this section. This subsection does not apply to in-kind contributions described in section 5 (2) of this 2024 Act.

(11)(a) A political committee may make a contribution to a candidate for state office or the principal campaign committee of a candidate for state office only if the political committee is registered with the Secretary of State as a multicandidate political committee, a political party multicandidate committee, a legislative caucus committee, a membership organization political committee, the principal campaign committee of a candidate or a small donor political committee.

(b) A measure political committee or recall political committee may not make a contribution to a candidate or the principal campaign committee of a candidate for a state office.

(12)(a) A membership organization may make in-kind contributions of up to 12 months per year of full-time staff equivalence for a campaign for the office of state Representative or state Senator and may make in-kind contributions of up to 36 months per year of full-time staff equivalence for a campaign for statewide elected office, provided that the staff time is limited to administrative support, direct voter contact, community organizing, community outreach and staff support for direct voter contact, community organizing or community outreach activities.

(b) The organization must measure full-time staff equivalence from staff or members of the organization who attest that they are not currently employed as pollsters, political consultants or candidate campaign strategists and that they have not served as a pollster, political consultant or candidate campaign strategist for at least the previous 18 months.

(c) The organization must be solely responsible for the pay, benefits, employment status and other human resources of every staff person or member of the organization facilitating contributions under this subsection.

(d) The Secretary of State shall by rule define "administrative support," "community organizing," "community outreach," "direct voter contact" and "staff support" for purposes of this subsection.

(13) Nothing in this section limits the amount a candidate may contribute from the candidate's personal funds to the candidate or the principal campaign committee of the candidate.

(14)(a) For purposes of the contribution limits established in this section, contributions made or received by multiple political committees are considered to be made or received by a single political committee if:

(A) The political committees have filed to operate as the same type of political committee under ORS 260.042; and

(B) The political committees are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(b) Notwithstanding paragraph (a) of this subsection, independent businesses, entities, affiliates or local groups of any structure operating under the same corporate family or umbrella organization may not be considered established, financed, maintained or controlled by the same person or within the same group of persons if the independent businesses, entities, affiliates or local groups have the authority to make independent decisions as to which candidate, if any, to support or oppose.

(c) Notwithstanding paragraph (a) of this subsection, having the same person acting as the treasurer of two or more political committees is not by itself sufficient to consider contributions made by the political committees to be contributions made or received by a single political committee.

(15) For purposes of the contribution limits established in this section, contributions made by multiple persons are considered to be made or received by a single person if the persons are established, financed, maintained or controlled by the same person or substantially the same group of persons, including any parent, subsidiary, branch, division, department or local unit of the person or group of persons.

(16)(a) For purposes of candidate contributions, clubs, societies, associations, organizations or anonymous limited liability companies are not authorized contributors.

(b) This subsection does not apply to membership organizations.

(17) A candidate seeking a minor party nomination shall be considered to be participating in the primary election for the purposes of the contribution limits established in this section.

(18) The Secretary of State may adopt rules necessary to implement this section.

SECTION 5. (1)(a) A person may not control more than one of each of the following types of committees at one time:

- (A) Principal campaign committee.
- (B) Multicandidate political committee.
- (C) Political party multicandidate committee.
- (D) Small donor political committee.

(E) Membership organization political committee.

(b) A person who controls both a small donor political committee and another political committee may not split a contribution from an individual, so that part of the individual's contribution goes to the small donor political committee and part of the contribution goes to the other political committee, unless the person is directed to do so in writing by the donor.

(2)(a) The following in-kind contributions, as determined over a 12-month period, are exempt from the contribution limits set forth in section 4 of this 2024 Act up to the limits provided or as further adjusted pursuant to subsection (3) of this section:

(A) Food and beverages up to \$2,500 for all offices, except up to \$5,000 for a state office subject to section 4 (3) of this 2024 Act.

(B) Transportation costs up to \$2,500 for all offices, except up to \$5,000 for a state office subject to section 4 (3) of this 2024 Act.

(C) Child care, elder care, interpretation or translation services without limitation.

(D) Small gifts that are incidental to the operation of a business up to \$1,000. The Secretary of State may by rule further define what is meant by small gifts.

(E) Contributions of office space, including conference rooms and other utility areas associated with office space, except that the office space may not exceed 2,500 square feet or be contributed for a period of longer than 12 months.

(F) Legal services related to advising a candidate on compliance with election laws and representing a candidate in the event a complaint alleging a violation of election laws is filed against the candidate may be contributed without limitation.

(b) In-kind contributions described in this subsection must be reported to the Secretary of State at the same time and in the same manner as other contributions and expenditures are reported.

(c) In-kind contributions described in this subsection may only be made by a contributor authorized to make a contribution under this chapter and may only be received by a candidate or a candidate committee.

(3) Prior to the start of each election cycle, the Secretary of State shall adjust the dollar amounts set forth in this section and section 4 of this 2024 Act by the cumulative change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor, or its successor, since 2024. The adjustments performed under this subsection shall be rounded to the nearest \$10 increment.

(4) The Secretary of State may adopt rules necessary to implement this section.

SECTION 5a. (1) At the end of an election cycle, any unexpended funds that remain in the accounts of a candidate political committee may be used only as follows:

(a) To refund contributions to contributors in amounts not exceeding the aggregate contribution received from each contributor during the election cycle;

(b) To make a contribution to another political committee as authorized under section 4 of this 2024 Act;

(c) To transfer any amount to the Campaign Finance Education Fund established in section 5b of this 2024 Act; or

(d) For purposes authorized under ORS 260.407, except that a contribution made under ORS 260.407 (1)(a)(C) must be made to an organization described in section 501(c)(3) of the Internal Revenue Code.

(2) As of 60 days after the end of the applicable election cycle, a candidate political committee may not carry forward unexpended funds in excess of the following limits unless the excess unexpended funds are reported in the time and manner required by the Secretary of State by rule:

(a) \$10,000 for a candidate for state Representative, circuit court judge or district attorney.

(b) \$20,000 for a candidate for a state Senator.

(c) \$40,000 for a candidate for a state office that is not described in paragraph (a) or (b) of this subsection.

(d) For a candidate for any other public office, the greater of \$5,000 or five cents per elector in the district of the public office.

(3) A candidate political committee that has not been used to support a candidate for public office for two consecutive election cycles shall dispose of any funds carried over from a previous election cycle in accordance with subsection (1) of this section.

SECTION 5b. (1) The Campaign Finance Education Fund is established in the General Fund. Moneys in the Campaign Finance Education Fund are continuously appropriated to the Secretary of State for the purpose of carrying out the duties described in section 21 of this 2024 Act.

(2) Moneys in the fund shall consist of:

(a) Moneys appropriated or transferred to the fund by the Legislative Assembly;

(b) Moneys transferred to the fund pursuant to section 5a (1)(c) of this 2024 Act; and

(c) Other amounts deposited into the fund from any source.

SECTION 6. ORS 260.042 is amended to read:

260.042. (1) The treasurer of a political committee shall file a statement of organization with the filing officer. The statement must include:

(a) The name[,] **and** address [*and nature*] of the committee. The address must be the address of a residence, office, headquarters or similar location where the political committee or a responsible officer of the political committee may be conveniently located.

(b) The name, address and occupation of the committee director or directors.

(c) The name and address of the committee treasurer.

(d) The name and address of any other political committee of which two or more committee directors are also directors of the committee filing the statement.

(e) **Whether the political committee will operate as a measure political committee, a multicandidate political committee, a political party multicandidate committee, a legislative caucus committee, a membership organization political committee, a recall political committee or a small donor political committee.**

[(e)] (f) The name, office sought, and party affiliation of each candidate whom the committee is supporting or specifically opposing or intends to support or specifically oppose, when known, or, if the committee is supporting or specifically opposing all the candidates of a given party, the name of that party.

[(f)] (g) A designation of any measure that the committee is opposing or supporting, or intends to support or oppose.

[(g)] (h) A statement of whether the committee is a controlled committee.

(2) In addition to the information listed in subsection (1) of this section, the statement of organization must include, or be amended within five business days to include, the name of the financial institution in which the campaign account required under ORS 260.054 is established, the name of the account, the name of the account holder and the names of all individuals who have signature authority for the account. The Secretary of State may not disclose information received by the secretary under this subsection except as necessary for purposes of enforcing the provisions of ORS chapters 246 to 260.

(3) A treasurer may designate an individual to receive any notice provided by a filing officer under ORS chapters 246 to 260. The treasurer shall include the name and address of the individual in a statement of organization filed under this section. A filing officer who provides any notice under ORS chapters 246 to 260 to the treasurer of the political committee shall also provide the notice to the individual designated by the treasurer under this subsection.

(4) A treasurer may designate an elector of this state to be liable for any civil penalty imposed under ORS 260.232. The treasurer shall include the name and address of any elector designated under this subsection in a statement of organization filed under this section.

(5) The statement of organization must be filed not later than the date specified in ORS 260.035.

(6) Except as provided in subsection (2) of this section, any change in information submitted in a statement of organization under subsections (1) and (2) of this section must be indicated in an amended statement of organization filed not later than the 10th day after the change in information.

(7) This section does not apply to a political committee that is a principal campaign committee or to a political committee exclusively supporting or opposing one or more candidates for federal or political party office.

(8)(a) A major political party or minor political party may establish no more than one political party multicandidate committee.

(b) A recall political committee may be formed only after a recall election is certified to the ballot.

(9) As used in this section:

(a) “Legislative caucus committee” has the meaning given that term in section 2 of this 2024 Act.

(b) “Major political party” means a political party that has qualified as a major political party under ORS 248.006.

(c) “Measure political committee” means a political committee that supports or opposes one or more measures.

(d) “Membership organization political committee” has the meaning given that term in section 2 of this 2024 Act.

(e) “Minor political party” means a political party that has qualified as a minor political party under ORS 248.008.

(f) “Multicandidate political committee” means a political committee that supports or opposes:

(A) One or more candidates; or

(B) All candidates affiliated with a major political party or a minor political party.

(g) “Political party multicandidate committee” means a political committee that:

(A) Operates on a statewide basis;

(B) Qualifies as a multicandidate political committee; and

(C)(i) Represents a major political party or a minor political party; or

(ii) Is established under the bylaws of a major political party or a minor political party.

(h) “Recall political committee” means a political committee that supports or opposes a person subject to a recall election.

(i) “Small donor political committee” means a political committee that:

(A) Registers as a small donor political committee under this section;

(B) Prior to registering as a small donor political committee has not accepted a contribution in excess of the contribution limits for small donor political committees set forth in section 4 of this 2024 Act; and

(C) While operating as a small donor political committee, complies with the restrictions

on receiving contributions set forth in section 4 of this 2024 Act.

SECTION 7. Notwithstanding ORS 260.042 (9)(i), a political committee, as defined in ORS 260.005, that is not organized as a small donor political committee, as defined in ORS 260.042, may reorganize as a small donor political committee if, during the previous 24-month period, not less than 90 percent of the total amount of moneys contributed to the political committee were contributed by individuals in amounts not exceeding \$250 per individual donor per calendar year. Any moneys in the bank accounts of a political committee that reorganizes as a small donor political committee under this section shall transfer to the newly organized small donor political committee and may be used in the same manner as any other moneys contributed to the small donor political committee.

SECTION 8. Section 7 of this 2024 Act is repealed on March 31, 2027.

SECTION 9. (1) A person may not, directly or indirectly:

(a) Require an employee or contractor to make a contribution or independent expenditure to support or oppose any candidate; or

(b) Provide or promise any benefit or impose or threaten any detriment due to a decision by an employee or contractor on whether to make a contribution or independent expenditure to support or oppose a candidate.

(2)(a) A foreign national, foreign corporation or foreign entity may not, directly or indirectly, make or offer to make a candidate campaign contribution or expenditure or make a donation used by an entity to pay for candidate campaign independent expenditures.

(b) As used in this subsection, “foreign national” means a foreign principal, as defined in 22 U.S.C. 611(b), but does not include any individual who is:

(A) A citizen of the United States;

(B) A national of the United States;

(C) Lawfully admitted for permanent residence in the United States; or

(D) A resident of Oregon.

SECTION 10. 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 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 re-

ceive 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 260.035 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. The officers of a political party shall be considered the directors of any political party committee of that party, unless otherwise provided in the party's by-laws.

(3) Except as provided in ORS 260.007, "contribution" or "contribution" includes:

(a) The payment, 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:

(A) 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

(B) To or on behalf of a candidate, political committee or measure; *and*

(b) The excess value of a contribution made for compensation or consideration of less than equivalent value[.]; **and**

(c) An expenditure by a person for a communication in support of or in opposition to a clearly identified candidate or measure that is 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, or any political committee or agent of a political committee supporting or opposing a measure.

(4) "Controlled committee" means a political committee that, in connection with the making of contributions or expenditures:

(a) Is controlled directly or indirectly by a candidate or a controlled committee; or

(b) Acts jointly with a candidate or controlled committee.

(5) "Controlled directly or indirectly by a candidate" means:

(a) The candidate, the candidate's agent, a member of the candidate's immediate family or any other political committee that the candidate controls has

a significant influence on the actions or decisions of the political committee; or

(b) The candidate's principal campaign committee and the political committee both have the candidate or a member of the candidate's immediate family as a treasurer or director.

(6) "County clerk" means the county clerk or the county official in charge of elections.

(7) "Elector" means an individual qualified to vote under Article II, section 2, of the Oregon Constitution.

(8) Except as provided in ORS 260.007, "expend" or "expenditure" includes the payment or furnishing of money or anything 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 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. "Expenditure" also includes contributions made by a candidate or political committee to or on behalf of any other candidate or political committee.

(9) "Filing officer" means:

(a) The Secretary of State:

(A) Regarding a candidate for public office;

(B) Regarding a statement required to be filed under ORS 260.118;

(C) Regarding any measure; or

(D) Regarding any political committee.

(b) In the case of an irrigation district formed under ORS chapter 545, "filing officer" means:

(A) The county clerk, regarding any candidate for office or any measure at an irrigation district formation election where the proposed district is situated wholly in one county;

(B) The county clerk of the county in which the office of the secretary of the proposed irrigation district will be located, regarding any candidate for office or any measure at an irrigation district formation election where the proposed district is situated in more than one county; or

(C) The secretary of the irrigation district for any election other than an irrigation district formation election.

(10) "Independent expenditure" means an expenditure by a person for a communication in support of or in opposition to a clearly identified candidate or measure 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, or any political committee or agent of a political committee supporting or opposing a measure. For purposes of this subsection **and subsection (3) of this section**:

(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 on behalf

of a political committee supporting or opposing a measure; 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)(A) “Clearly identified” means, with respect to candidates:

(i) The name of the candidate involved appears;

(ii) A photograph or drawing of the candidate appears; or

(iii) The identity of the candidate is apparent by unambiguous reference.

(B) “Clearly identified” means, with respect to measures:

(i) The ballot number of the measure appears;

(ii) A description of the measure’s subject or effect appears; or

(iii) The identity of the measure is apparent by unambiguous reference.

(c) “Communication in support of or in opposition to a clearly identified candidate or measure” means:

(A)(i) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office, or the passage or defeat of a clearly identified measure; and

(ii) The electoral portion of the communication is unmistakable, unambiguous and suggestive of only one meaning; or

(B)(i) The communication involves aggregate expenditures of more than \$250 by a person;

(ii) The communication refers to a clearly identified candidate or measure that will appear on the ballot or to a political party; and

(iii) The communication is published and disseminated to the relevant electorate within 60 calendar days before a primary election, 120 calendar days before a general election or 90 calendar days before an election other than a primary election or a general election.

(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, or any political committee or agent of a political committee supporting or opposing a measure”:

(A) Means any arrangement, coordination or direction by the candidate or the candidate’s agent, or by any political committee or agent of a political committee supporting or opposing a measure, 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 plans, projects or needs of the candidate, or of the political committee supporting or opposing a measure, and provided to the expending person by the candidate or by the candidate’s agent, or by any political com-

mittee or agent of a political committee supporting or opposing a measure, 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 by a political committee or agent of a political committee supporting or opposing a measure, or who is or has been receiving any form of compensation or reimbursement from the candidate, the candidate’s principal campaign committee or agent or from any political committee or agent of a political committee supporting or opposing a measure.

(B) Does not mean 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.

(11) “Initiative petition” means a petition to initiate a measure for which a prospective petition has been filed but that is not yet a measure.

(12) “Judge” means judge of the Supreme Court, Court of Appeals, circuit court or the Oregon Tax Court.

(13) “Mass mailing” means more than 200 substantially similar pieces of mail, but does not include a form letter or other mail that is sent in response to an unsolicited request, letter or other inquiry.

(14) “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.

(15) “Occupation” means:

(a) The nature of an individual’s principal business; and

(b) If the individual is employed by another person, the business name and address, by city and state, of the employer.

(16) “Person” means an individual, corporation, limited liability company, labor organization, association, firm, partnership, joint stock company, club, organization or other combination of individuals having collective capacity.

(17) “Petition committee” means an initiative, referendum or recall petition committee organized under ORS 260.118.

(18) “Political committee” means a combination of two or more individuals, or a person other than an individual, that has:

(a) Received a contribution for the purpose of supporting or opposing a candidate, measure or political party; or

(b) Made an expenditure for the purpose of supporting or opposing a candidate, measure or political party. For purposes of this paragraph, an expenditure does not include:

(A) A contribution to a candidate or political committee that is required to report the contribution on a statement filed under ORS 260.057 or 260.076 or a certificate filed under ORS 260.112; or

(B) An independent expenditure for which a statement is required to be filed by a person under ORS 260.044.

(19) "Public office" means any national, state, county, district, city office or position, except a political party office, that is filled by the electors.

(20) "Recall petition" means a petition to recall a public officer for which a prospective petition has been filed but that is not yet a measure.

(21) "Referendum petition" means a petition to refer a measure for which a prospective petition has been filed but that is not yet a measure.

(22) "Regular district election" means the regular district election described in ORS 255.335.

(23) "State office" means the office of Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, state Senator, state Representative, judge or district attorney.

SECTION 11. Chapter 3, Oregon Laws 2007, is repealed.

TRANSPARENCY IN ELECTIONS

SECTION 12. Sections 13 and 14a of this 2024 Act are added to and made a part of ORS chapter 260.

SECTION 13. (1) The Secretary of State by rule shall adopt an addition to the electronic filing system described in ORS 260.057 to be used by:

- (a) Membership organizations;
- (b) Persons; and

(c) Any combination of organizations or persons that has a collective capacity and that is legally separate from other persons and that makes independent expenditures.

(2) The electronic filing system addition described in this section shall be used by entities described in subsection (1) of this section to report the original source of funds used to pay for candidate campaign independent expenditures, to promote transparency and accountability to voters.

(3) Once an entity subject to this section has spent an aggregate of \$50,000 on candidate campaign independent expenditures in an election cycle, the entity must disclose the name of each person that has contributed \$5,000 or more during the election cycle and the original source of funds used for the contribution. In identifying persons that have made aggregate donations of \$5,000 or more per election cycle, the entity may exclude:

(a) Donations received from an affiliated charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code;

(b) Donations and grants received from foundations and other persons that may not be used to make a communication in support of or in opposition to a clearly identified candidate; and

(c) Donations received from a source that demonstrates to the Secretary of State that there is a reasonable probability that public knowledge of the identity of the source would subject the source or the family of the source to serious risk of physical harm.

(4) An entity described in subsection (3) of this section must disclose the original source of funds of the full amount spent on the entity's aggregate independent expenditures.

(5) Donations from donors who have contributed less than \$5,000 during the election cycle may be aggregated and reported on a "Miscellaneous Under \$5,000" category on the electronic filing system addition.

(6)(a) Each donor that is separately reported under subsection (3) of this section and that spends an aggregate of \$50,000 on independent expenditures in an election cycle must also report the original source of funds used for the donation.

(b) If and to the extent a donor serves as a pass-through or intermediary for the original source of the funds, both the pass-through or intermediary and the original source of funds shall be reported.

(c) For purposes of this section and section 14a of this 2024 Act and ORS 260.266:

(A) "Business income" means:

(i) Funds received by a person in commercial transactions in the ordinary course of the person's regular trade, business or investments;

(ii) Membership or union dues paid to the person, except dues exceeding \$5,000 from any person in a calendar year; and

(iii) Contributions or donations paid to the person, except contributions or donations exceeding \$5,000 from any person in a calendar year.

(B) "Original source of funds" means business income or personal funds and the person that earned or received the business income or personal funds.

(C) "Personal funds" means income received by an individual as salary or wages, other earned income from bona fide employment, interest, dividends, royalties or proceeds from an individual's personal investments, bequests and income from testamentary trusts or other trusts established by bequest. "Personal funds" does not include any funds received from any person for the purpose of influencing an election.

(7) The original sources of funds used to pay for candidate campaign independent expendi-

tures and persons associated with those original sources of funds must be reported to the Secretary of State at the same time and in the same manner as other contributions and expenditures are reported.

(8) Prior to the start of each election cycle, the Secretary of State shall adjust the dollar amounts set forth in this section by the cumulative change in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor, or its successor, since 2024. The adjustments performed under this subsection shall be rounded to the nearest \$10 increment.

(9) The Secretary of State shall by rule establish reporting timelines and guidance for the reporting of independent expenditures.

SECTION 14. On or before January 1, 2028, the Secretary of State shall:

(1) Create a web-based campaign finance dashboard that promotes transparency and fosters research and analysis on campaign donations and expenditures in this state. The dashboard shall include numeric and visual representations of campaign finance activity in Oregon.

(2) Update software related to campaign filings to promote transparency, efficiency and modern best practices in campaign finance reporting.

SECTION 14a. (1) For elections occurring after January 1, 2028, the Secretary of State shall:

(a) At least 10 days before each election, release on the dashboard a list of the 100 largest contributors to candidates or principal campaign committees, aggregated across all candidates.

(b) Annually release a visual representation of contributions by industry aggregated across all candidates and broken down by statewide, legislative and local office.

(c) At least 10 days before each election, release on the dashboard the original sources of funds of candidate campaign independent expenditures as required by section 13 of this 2024 Act. The disclosures must be set forth on the dashboard so as to promote transparency with the public.

(d) Annually display the average cost of campaigns by office and the largest three categories for spending, broken down by statewide office, legislative office, circuit court and district attorney offices and local offices.

(2) The Secretary of State may by rule establish other reports, data and information to be included on the dashboard and the frequency with which the information is reported, except that the information must be reported at least annually. The secretary shall follow best prac-

tices to promote efficiency when establishing reporting and filing requirements.

(3)(a) The Secretary of State shall biannually conduct a review process of:

(A) The reporting and filing of information required in order to comply with the disclosures and content required on the dashboard; and

(B) Compliance by and the needs of stakeholders, including but not limited to:

(i) Persons who make and report donations to candidates or principle campaign committees;

(ii) Persons who make independent expenditures;

(iii) Entities organized under section 501(c) of the Internal Revenue Code;

(iv) Candidates; and

(v) Media organizations.

(b) The secretary shall report the findings of the biannual review to the Legislative Assembly and may also report on improvements undertaken or planned by the secretary based on the findings of the review.

(4) As used in this section, “dashboard” means the web-based dashboard described in section 14 of this 2024 Act.

SECTION 15. ORS 260.266 is amended to read:

260.266. (1) Except as otherwise provided by a local provision, a communication in support of or in opposition to a clearly identified candidate must state the name of the persons that paid for the communication.

(2) For the purpose of complying with subsection (1) of this section:

(a) Except as provided in paragraph (b) of this subsection, a communication in support of or in opposition to a clearly identified candidate by a political committee or recall petition committee that costs at least \$10,000 for the entire placement of the communication and substantially similar communications must state:

(A) The name of the political committee or petition committee; and

(B) The names of the [five] four persons that have made the largest aggregate contributions of \$10,000 or more to the committee in the election cycle in which the communication is made.

(b) A communication in support of or in opposition to a clearly identified candidate by an individual, a for-profit business entity or a candidate or the principal campaign committee of a candidate must state the name of the individual, for-profit business entity or candidate.

(c)(A) A communication in support of or in opposition to a clearly identified candidate by a person not described in paragraph (a) or (b) of this subsection must state:

(i) The name of the person; and

(ii) Except as provided in subparagraph (B) of this paragraph, the names of the [five] four persons that have made the largest aggregate donations of \$10,000 or more to the person in the election cycle in which the communication is made.

(B) In identifying persons that have made aggregate donations of \$10,000 or more, a person described in this paragraph may exclude:

(i) Donations received from an affiliated charitable organization that is tax exempt under section 501(c)(3) of the Internal Revenue Code; and

(ii) Donations and grants received from foundations and other persons that may not be used to make a communication in support of or in opposition to a clearly identified candidate.

(d) Notwithstanding [paragraphs (a) to] **paragraph (b) or (c)** of this subsection, a digital communication may state only the name of the person that made the communication if the digital communication includes an active link to a website that prominently displays the additional information required by this subsection.

(3) If a candidate has contributed more than \$20,000 to the candidate's own campaign, a communication subject to this section must include a statement indicating that the candidate has contributed more than \$20,000 to the candidate's own campaign.

[(3)] **(4)** A person that makes communications in support of or in opposition to a clearly identified candidate must consider an anonymous donation of \$1,000 or more from a single person to be a donation that may not be used to make a communication in support of or in opposition to a clearly identified candidate.

[(4)(a)] **(5)(a)** If a person is required to disclose the names of [five] **four** persons under subsection (2)(a)(B) or (c)(A)(ii) of this section and more than [five] **four** persons qualify as having made the largest aggregate contributions or donations, the person shall disclose the [five] **four** applicable persons whose contributions or donations were made closest to the date of initial printing or transmission of the communication.

(b) Except as provided in paragraph (c) of this subsection, the [five] **four** persons required to be named under subsection (2)(a)(B) or (c)(A)(ii) of this section must be accurate as of 10 days before the most recent payment to print or transmit the communication.

(c) A person that both makes multiple digital communications in support of or in opposition to a clearly identified candidate and uses the method described in subsection (2)(d) of this section to meet the identification requirements of subsection (2)(a)(B) or (c)(A)(ii) of this section, may use one active link to the same website for all digital communications made by the person, provided that the information on the website is accurate as of 10 days before the most recent payment to print or transmit a communication.

(6) A communication in support of or in opposition to a clearly identified candidate that costs at least \$10,000 must include an electronic, printed or aural link to the appropriate site on the electronic filing system described in ORS 260.057, that identifies the original sources of

funds to the entity that made the expenditure. The link:

(a) Shall be an active link if the communication is in digital form;

(b) Shall be a printed or televised rendition of the link if the communication is in printed or televised form; and

(c) Shall be read as part of the communication if the communication is on radio or other aural format. The Secretary of State shall strive for brevity and clarity in creating links to be read under this paragraph.

(7) The Secretary of State shall by rule provide technical specifications for the links described in subsection (6) of this section.

[(5)] **(8)** This section does not apply to:

(a) Candidates for federal office.

(b) Candidates other than those described in paragraph (a) of this subsection who are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(c) Petition committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(d) Political committees that are not required to use the electronic filing system adopted under ORS 260.057 to file statements of contributions received or expenditures made.

(e) A person that makes independent expenditures and that is exempt under ORS 260.044 from being required to file statements of independent expenditures using the electronic filing system adopted under ORS 260.057.

(f) A communication that is excluded from the definition of "expenditure" under ORS 260.007.

(g) Items of de minimis value relating to a candidate, including but not limited to:

(A) Lawn signs, pins, pens and other similar items;

(B) Skywriting; or

(C) Wearable merchandise.

(h) Any other item that the Secretary of State by rule determines is too small to feasibly include the identifying information required by this section.

[(6)] **(9)** The Secretary of State by rule shall prescribe the form of statements required on communications described in this section. Rules adopted under this subsection must ensure that the information required to be included in communications under this section is:

(a) In a font, size and color that are easy for an average person to read, if the communication appears in a print or digital format; and

(b) Clearly audible to the average person, if the communication appears in an audio format.

[(7)] **(10)** As used in this section:

(a) "Clearly identified" has the meaning given that term in ORS 260.005 (10)(b).

(b)(A) Except as provided in subparagraph (B) of this paragraph, "communication in support of or in opposition to a clearly identified candidate" means:

(i)(I) The communication, when taken as a whole and with limited reference to external events, such as the proximity to the election, could only be interpreted by a reasonable person as containing advocacy for the election or defeat of a clearly identified candidate for nomination or election to public office; and

(II) The electoral portion of the communication is unmistakable, unambiguous and suggestive of only one meaning; or

(ii)(I) The communication involves aggregate expenditures by a person of more than the amount provided in ORS 260.044 (1);

(II) The communication refers to a clearly identified candidate who will appear on the ballot; and

(III) The communication is printed or transmitted to the relevant electorate within the time frame provided in ORS 260.005 (10)(c)(B)(iii).

(B)(i) "Communication in support of or in opposition to a clearly identified candidate" includes but is not limited to communications distributed via print, telephone, radio, television or the Internet.

(ii) "Communication in support of or in opposition to a clearly identified candidate" does not include newspaper editorials, printed advertisements with a fair market value of less than \$500 or communications made via telephone that have a fair market value of less than \$500.

(c)(A) "Donation" means the gift or transfer of moneys or any other item of value to a person subject to subsection (2)(c)(A) of this section, including any membership fees, dues or assessments.

(B) "Donation" does not include moneys or any other item of value received by a person subject to subsection (2)(c)(A) of this section in the ordinary course of a trade or business conducted by the person.

[(d) "Election cycle" means the period of time starting on the day after the date of a general election and ending on the date of the next general election.]

[(e)] (d) "Local provision" means a charter provision, ordinance, resolution or other provision adopted by a city, county or other local government.

SECTION 16. ORS 260.275, 260.281 and 260.285 are repealed.

SECTION 17. ORS 260.402 is amended to read:

260.402. (1) A person may not directly or indirectly reimburse a person for making a contribution or donation, or make a contribution or donation in any name other than that of the person that in truth provides the contribution or donation, to:

(a) Any other person, relating to a nomination or election of any candidate or the support of or opposition to any measure;

(b) Any political committee;

(c) [Any covered organization required to file a donor identification list under ORS 260.281] **Any entity required by section 13 of this 2024 Act to disclose the original source of funds used to pay for candidate campaign independent expenditures; or**

(d) A petition committee required to file a statement under ORS 260.118.

(2) A person may not establish an entity for the purpose of obscuring the original source of funds used to pay for candidate campaign independent expenditures or evading contribution limits.

[(2)] (3) Except as provided in subsection [(3)] (4) of this section, a person, political committee, [covered organization or] petition committee **or entity required to make a disclosure under section 13 of this 2024 Act** may not knowingly receive a contribution or donation prohibited under subsection (1) of this section or enter or cause the contribution or donation to be entered in accounts or records in another name than that of the person that actually provided the contribution or donation.

[(3)] (4) If a person receives a contribution from a political committee, the person may enter the contribution into accounts or records as received from the political committee.

[(4)] (5) As used in this section, ["covered organization" and "donation" have the meanings given those terms in ORS 260.275] **"original source of funds" has the meaning given that term in section 13 of this 2024 Act.**

SECTION 17a. Section 17b of this 2024 Act is added to and made a part of ORS chapter 260.

SECTION 17b. Notwithstanding any other provision of law, an incumbent holder of a public office who intends to seek reelection shall file a nominating petition or a declaration of candidacy for an additional term of the same public office at least seven days prior to the corresponding filing deadline for nonincumbent candidates for that public office.

COMPLAINTS AND PENALTIES

SECTION 18. ORS 260.232 is amended to read:

260.232. (1) The Secretary of State may impose a civil penalty as provided in this section, in addition to any other penalty that may be imposed, for:

(a) Failure to file a statement or certificate required to be filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.112 or 260.118.

(b) Failure to include in a statement filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.112 or 260.118 the information required under ORS 260.044, 260.057, 260.076, 260.083 or 260.118.

(c) Failure to comply with section 3, 4, 5, 5a, 9 or 13 of this 2024 Act.

(2)(a) If a person required to file has not filed a statement or certificate complying with applicable provisions of ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.085, 260.112 or 260.118 within the time specified in ORS 260.044, 260.057, 260.076, 260.078 or 260.118, the Secretary of State by first class mail or electronically shall notify the person or elector designated under ORS 260.042 or 260.118 that a penalty

may be imposed and that the person has 20 days from the service date on the notice to request a hearing before the Secretary of State.

(b) If the person required to file is a candidate or the principal campaign committee of a candidate, the Secretary of State shall send the notice described in paragraph (a) of this subsection by first class mail or electronically to the candidate. The notice shall be used for purposes of determining the deadline for requesting a hearing under subsection (3) of this section.

(3) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation shall be held by the Secretary of State:

(a) Upon request of the person against whom the penalty may be assessed, if the request is made not later than the 20th day after the service date on the notice sent under subsection (2) of this section;

(b) Upon request of the filing officer with whom a statement or certificate was required to be filed but was not filed; or

(c) Upon the Secretary of State's own motion.

(4) A hearing under subsection (3) of this section shall be held not later than 45 days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection (3) of this section shall be held not later than 60 days after the deadline for the person against whom the penalty may be assessed to request a hearing.

(5) The Secretary of State shall issue an order not later than 90 days after a hearing or after the deadline for requesting a hearing if no hearing is held.

(6) The person against whom a penalty may be assessed need not appear in person at a hearing held under this section, but instead may submit written testimony and other evidence, sworn to before a notary public, to the Secretary of State for entry in the hearing record. The testimony and other evidence must be received by the secretary not later than three business days before the day of the hearing and may be submitted electronically.

(7) A person subject to this section who has filed a late or insufficient statement of transactions may self-report the late or insufficient statement and pay the penalty to the Secretary of State. Upon receipt of a corrected statement and payment of the penalty due, the secretary may accept and record the penalty without further investigation under this section. Nothing in this subsection prevents the secretary from continuing to investigate noncompliance with the requirements of this section or section 3, 4, 5, 5a, 9, 13 or 17b of this 2024 Act or ORS 260.042, 260.044, 260.057, 260.076, 260.078, 260.083, 260.112, 260.118 or 260.266.

[(7)] (8) A civil penalty imposed under this section may not be more than the following:

(a) For failure to file a statement or certificate required to be filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.112 or 260.118, 10 per-

cent of the total amount of the contribution or expenditure required to be included in the statement or certificate; or

(b) For each failure to include in a statement filed under ORS 260.044, 260.057, 260.076, 260.078, 260.083, 260.112 or 260.118 the information required under ORS 260.044, 260.057, 260.076, 260.083 or 260.118, 10 percent of the total amount of the contribution or expenditure required to be included in the statement.

[(8)] (9) The Secretary of State, upon a showing of mitigating circumstances, may reduce the amount of the penalty described in subsection [(7)] (8) of this section.

[(9)] (10) Except as otherwise provided by this section, civil penalties under this section shall be imposed as provided in ORS 183.745.

SECTION 19. ORS 260.345 is amended to read:

260.345. (1) Any elector may file with any filing officer a written complaint alleging that a violation of an election law or rule adopted by the Secretary of State under ORS chapters 246 to 260 has occurred and stating the reason for believing that the violation occurred and any evidence relating to it. A complaint and any evidence relating to it may be filed electronically. A complaint alleging a violation involving the Secretary of State, a candidate for the office of Secretary of State, or any political committee or person supporting the Secretary of State or a candidate for the office of Secretary of State may be filed with the Attorney General. The Secretary of State or Attorney General shall not accept an anonymous complaint.

(2) The Secretary of State by rule shall prescribe the procedure for processing a complaint filed with any person other than the Secretary of State. If the complaint concerns the Secretary of State, any candidate for the office of the Secretary of State, or any political committee or person supporting the candidacy of the Secretary of State or of another person for the office of Secretary of State, the complaint and any additional information relating to the complaint shall be sent to the Attorney General. **An investigation must be commenced within 30 days of receiving the complaint and a finding must be issued within 60 days of receiving the complaint.**

(3) Upon receipt of a complaint under subsection (1) or (2) of this section the Secretary of State or Attorney General immediately shall examine the complaint to determine whether a violation of an election law or rule has occurred and shall make any investigation the Secretary of State or Attorney General considers necessary. Except as provided in this subsection, within three business days of determining that an investigation is necessary to determine whether a violation of an election law or rule has occurred, the Secretary of State or Attorney General shall notify the person who is the subject of the complaint that an investigation will take place. If the Secretary of State or Attorney General receives a complaint or complaints involving 10 or

more individuals, political committees or petition committees in any 48-hour period, the Secretary of State or Attorney General need not notify the persons who are the subjects of those complaints within three business days of receiving the complaints but shall notify those persons not later than 10 business days after determining that an investigation is necessary to determine whether a violation of election law or rule has occurred.

(4) If the Secretary of State believes after an investigation under subsection (3) of this section that a violation of an election law or rule has occurred, the secretary:

(a) In the case of a violation that is subject to a penalty under ORS 260.993, immediately shall report the findings to the Attorney General and request prosecution. If the violation involves the Attorney General, a candidate for that office or a political committee or person supporting or opposing the Attorney General or a candidate for that office, the Secretary of State shall appoint another prosecutor for that purpose;

(b) In the case of a violation not subject to a penalty under ORS 260.537 or 260.993, may impose a civil penalty under ORS 260.995; or

(c) In the case of a violation under ORS 260.537, may institute civil proceedings in the manner described in ORS 260.537.

(5) Upon receipt of a complaint or report under subsection (1), (2) or (4) of this section involving an alleged violation subject to a penalty under ORS 260.993 or an alleged violation of ORS 260.537, the Attorney General or other prosecutor immediately shall examine the complaint or report to determine whether a violation of an election law has occurred. If the Attorney General or prosecutor determines that a violation has occurred, the Attorney General or prosecutor immediately shall begin prosecution or civil proceedings in the name of the state. The Attorney General or other prosecutor shall have the same powers in any county of this state as the district attorney for the county.

(6) Upon receipt of a complaint under subsection (1) or (2) of this section involving an alleged violation of an election law or rule not subject to a penalty under ORS 260.537 or 260.993, the Attorney General shall examine the complaint to determine whether a violation of an election law or rule has occurred and shall make any investigation the Attorney General considers necessary. If the Attorney General believes after an investigation that a violation of an election law or rule has occurred, the Attorney General may impose a civil penalty under ORS 260.995.

(7) In the case of an alleged violation subject to a civil penalty under ORS 260.995 or an alleged violation of ORS 260.537, a complaint shall be filed by an elector under this section no later than 90 days following the election at which a violation of an election law or rule is alleged to have occurred, or 90 days following the date the violation of an election law or rule is alleged to have occurred, whichever is later.

(8) A filing officer having reason to believe that a violation of an election law or rule has occurred shall proceed promptly as though the officer had received a complaint. Except as provided in ORS 260.234, a filing officer shall proceed under this subsection no later than two years following the election at which a violation of an election law or rule is alleged to have occurred, or two years following the date the violation of an election law or rule is alleged to have occurred, whichever is later. If a filing officer has not proceeded within two years because of fraud, deceit, misleading representation or the filing officer could not have reasonably discovered the alleged violation, the filing officer shall proceed no later than five years following the election at which a violation of an election law or rule is alleged to have occurred, or five years following the date the violation of an election law or rule is alleged to have occurred, whichever is later.

(9) In the case of a complaint alleging a violation of the original source of funds disclosure requirements of section 13 of this 2024 Act, the complainant shall be notified of the outcome of any investigation.

(10)(a) In the case of a complaint alleging a violation of an election law or rule for which a civil penalty of greater than \$10,000 may be imposed, the complainant shall be notified of the outcome of any investigation and may request an administrative hearing. If the complainant requests a hearing under this subsection, a contested case hearing under ORS 183.413 to 183.470 must be held.

(b) The contested case hearing officer shall prepare and issue a final order for any contested case hearing held under this subsection.

SECTION 19a. ORS 260.715 is amended to read:

260.715. (1) A person may not knowingly make a false statement, oath or affidavit when a statement, oath or affidavit is required under the election laws.

(2) A person may not request a ballot in a name other than the person's own name.

(3) A person may not vote or attempt to vote more than once at any election held on the same date.

(4) A person may not vote or attempt to vote both in an election held in this state and in another state on the same date.

(5) A person, except an elections official in performance of duties, may not willfully alter or destroy a ballot cast at an election or the returns of an election.

(6) A person may not willfully place a fraudulent ballot among the genuine ballots.

(7) A person may not falsely write anything purporting to be written by an elections official in performance of duties on the ballot.

(8) A person may not commit theft of a ballot or tally or return sheet, or willfully hinder or delay the delivery of the tally or return sheet to the county clerk, or fraudulently break open a sealed tally or return sheet of the election.

(9)(a) A person may not:

(A) Manufacture or knowingly use a fraudulent ballot return identification envelope or secrecy envelope; or

(B) Sell, make an offer with the actual intent to sell, purchase or make an offer with the actual intent to purchase, for money or other valuable consideration, any official ballot, replacement ballot, ballot return identification envelope or secrecy envelope.

(b) As used in this subsection, “ballot return identification envelope” and “secrecy envelope” mean those envelopes used to return ballots to the county clerk.

(10) A person may not establish an entity for the purpose of evading contribution limits or disclosure requirements.

SECTION 20. ORS 260.995 is amended to read:

260.995. (1) Except as provided in [subsection (2)] **subsections (2) to (4)** of this section, following an investigation under ORS 260.345, the Secretary of State or Attorney General may impose a civil penalty not to exceed \$1,000 for each violation of any provision of Oregon Revised Statutes relating to the conduct of any election, any rule adopted by the secretary under ORS chapters 246 to 260 or any other matter preliminary to or relating to an election, for which a civil penalty is not otherwise provided.

(2) The secretary or the Attorney General may impose a civil penalty not to exceed:

(a)(A) Except as provided in subparagraph (B) of this paragraph, \$1,000 plus the amount converted to personal use for each violation of ORS 260.407; **or**

(B) Two times the amount of the penalty provision for violating a nondisclosure agreement that is contained within each nondisclosure agreement entered into in violation of ORS 260.407 or 260.413;

(b) 150 percent of the total cost of printing, transmitting or distributing a communication in support of or in opposition to a clearly identified candidate if the disclosure requirements set forth in ORS 260.266 are not met; or

(c) \$10,000 for each violation of ORS 260.555, 260.558, 260.575, 260.695 (1) or (2) or 260.715 (1) or Article IV, section 1b, of the Oregon Constitution.

(3)(a) Except as provided in paragraphs (b) and (c) of this subsection, the Secretary of State or the Attorney General may impose a civil penalty on the recipient of a contribution that exceeds the limits of section 4 or 5 of this 2024 Act. The amount of the civil penalty to be imposed shall be at least equal to the amount of the unlawful contribution.

(b) The recipient of a contribution that violates the contribution limits of section 4 or 5 of this 2024 Act may remedy the violation by refunding to the contributor an amount that renders the contribution in compliance with applicable contribution limits under section 4 or 5 of this 2024 Act. For this paragraph to apply, the refund must be made to the contributor

within 14 days of receipt of the unlawful contribution.

(c) If paragraph (b) of this subsection does not apply, the recipient of a contribution that violates the contribution limits of section 4 or 5 of this 2024 Act may reduce the penalty otherwise applicable under this subsection by 50 percent, if the recipient refunds to the contributor an amount that renders the contribution in compliance with section 4 or 5 of this 2024 Act within 14 days of the date the recipient reasonably should have known that the violation occurred.

(d) The Secretary of State shall adopt rules under this subsection establishing enhanced penalties for successive knowing and willful violations of the contribution limit provisions of section 4 or 5 of this 2024 Act.

(4)(a) The Secretary of State or the Attorney General may impose a civil penalty on a person subject to the reporting requirements of section 13 of this 2024 Act and that is violating those requirements. The penalty to be imposed shall be not less than one-tenth of, nor more than four times, the total amount of contribution or expenditure that was not properly disclosed or disclaimed.

(b) The Secretary of State shall adopt rules under this subsection establishing enhanced penalties for successive knowing and willful violations of the disclosure provisions of section 13 of this 2024 Act.

[3] **(5) Except as otherwise provided by this section, civil penalties under this section shall be imposed as provided in ORS 183.745. In addition to the requirements of ORS 183.745, the notice shall include:**

(a) A statement of the authority and jurisdiction under which the hearing is to be held; and

(b) If the person is an agency, corporation or an unincorporated association, a statement that such person must be represented by an attorney licensed in Oregon, unless the person is a political committee which may be represented by any officer identified in the most recent statement of organization filed with the filing officer.

[4] **(6) A hearing on whether to impose a civil penalty and to consider circumstances in mitigation shall be held by the secretary or Attorney General:**

(a) Upon request of the person against whom the penalty may be assessed, if the request is made not later than the 20th day after the service date on the notice sent under subsection [3] **(5)** of this section; or

(b) Upon the secretary’s or Attorney General’s own motion.

[5] **(7) The person against whom a penalty may be assessed need not appear in person at a hearing held under this section, but instead may submit written testimony or other evidence, sworn to before a notary public, to the secretary or Attorney General for entry in the hearing record. The testimony or other evidence must be received by the secretary**

or Attorney General not later than three business days before the day of the hearing and may be submitted electronically.

[(6)] (8) All hearings under this section shall be held not later than 45 days after the deadline for the person against whom the penalty may be assessed to request a hearing. However, if requested by the person against whom the penalty may be assessed, a hearing under subsection [(4)] (6) of this section shall be held not later than 60 days after the deadline for the person against whom the penalty may be assessed to request a hearing.

[(7)] (9) The secretary or Attorney General shall issue an order not later than 90 days after a hearing or after the deadline for requesting a hearing if no hearing is held.

[(8)] (10) All penalties recovered under this section shall be paid into the State Treasury and credited to the General Fund.

[(9)] (11) In the case of a civil penalty imposed under this section for a violation of ORS 260.407, the person against whom the penalty is assessed:

(a) Is personally responsible for the payment of the civil penalty;

(b) Shall pay the civil penalty from personal funds of the person; and

(c) May not pay the civil penalty from contributions received by a candidate, a candidate's principal campaign committee, a political committee or a petition committee.

SECTION 20a. ORS 162.005 is amended to read: 162.005. As used in ORS 162.005 to 162.425, unless the context requires otherwise:

(1) "Pecuniary benefit" means gain or advantage to the beneficiary or to a third person pursuant to the desire or consent of the beneficiary, in the form of money, property, commercial interests or economic gain, but does not include a political campaign contribution reported in accordance with ORS chapter 260, **unless the contribution is made in exchange for a promise to perform or not perform an official act.**

(2) "Public servant" means:

(a) A public official as defined in ORS 244.020;

(b) A person serving as an advisor, consultant or assistant at the request or direction of the state, any political subdivision thereof or of any governmental instrumentality within the state;

(c) A person nominated, elected or appointed to become a public servant, although not yet occupying the position; and

(d) Jurors.

IMPLEMENTATION AND REPORTING REQUIREMENT

SECTION 21. (1) The Secretary of State shall hire a full-time employee to provide voter education, support and outreach regarding Oregon's campaign finance laws, including the laws re-

garding political contributions set forth in sections 2 to 5b and 9 of this 2024 Act.

(2) The Secretary of State shall provide technical assistance to candidates, campaigns and the public to ensure a smooth transition to the newly enacted contribution limit requirements set forth in sections 2 to 5b and 9 of this 2024 Act.

SECTION 22. It is the intent of the Legislative Assembly that all parts of this 2024 Act are independent and that if any part of this 2024 Act is held unconstitutional, all remaining parts shall remain in force.

SECTION 23. (1) Sections 2 to 5a and 9 of this 2024 Act and the amendments to ORS 260.005 and 260.042 by sections 6 and 10 of this 2024 Act become operative on January 1, 2027.

(2) Sections 13 and 14a of this 2024 Act and the amendments to ORS 260.266 by section 15 of this 2024 Act become operative on January 1, 2028.

(3) The amendments to ORS 260.232, 260.345, 260.715 and 260.995 by sections 18, 19, 19a and 20 of this 2024 Act become operative on January 1, 2027.

(4) Section 17b of this 2024 Act becomes operative on January 1, 2026.

SECTION 24. (1)(a) The Secretary of State may take any action before the operative dates specified in section 23 of this 2024 Act that is necessary for the Secretary of State to exercise, on and after the operative dates specified in section 23 of this 2024 Act, all of the duties, functions and powers conferred on the Secretary of State by this 2024 Act.

(b) No later than May 1, 2025, the Secretary of State shall propose revisions to the manual on campaign finance that is adopted by administrative rule and made publicly available on the secretary's website to ensure that it incorporates and describes the contents of this 2024 Act in a clear and straightforward manner.

(c) No later than September 15, 2025, the Secretary of State shall propose rules necessary to implement the provisions of this 2024 Act.

(d) No later than January 1, 2026, the Secretary of State shall report to the interim committees of the Legislative Assembly responsible for campaign finance on the actions taken by the secretary to implement the provisions of this 2024 Act.

(2)(a) A political committee may take any action before the operative dates set forth in section 23 of this 2024 Act that is necessary for the political committee to be in compliance with the requirements set forth in ORS 260.042, as amended by section 6 of this 2024 Act, no later than the relevant operative date set forth in section 23 of this 2024 Act.

(b) The Secretary of State shall reorganize as a multicandidate political committee any active political committee that remains organized to operate as a miscellaneous political committee on March 31, 2027. Any moneys in the bank accounts of a political committee described in this paragraph shall transfer to the newly organized multicandidate political committee and may be used in the same manner as any other moneys contributed to the multicandidate political committee.

(c) The Secretary of State shall by rule establish a process that provides a miscellaneous political committee that was reorganized under paragraph (b) of this subsection with a single opportunity to reorganize as a measure political committee. The process shall ensure that any moneys in the bank accounts of a political committee described in this paragraph transfer to the newly organized measure political committee and may be used in the same manner as any

other moneys contributed to the measure political committee.

CAPTIONS

SECTION 25. The unit captions used in this 2024 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2024 Act.

EFFECTIVE DATE

SECTION 26. This 2024 Act takes effect on the 91st day after the date on which the 2024 regular session of the Eighty-second Legislative Assembly adjourns sine die.

Approved by the Governor March 20, 2024
Filed in the office of Secretary of State March 20, 2024
Effective date June 6, 2024
