

Honest Elections City of Portland Charter Amendment

June 22, 2017

Whereas, the people of City of Portland find that limiting large contributions and expenditures in political campaigns would strengthen democratic institutions, avoid the reality and appearance of corruption, enhance public confidence in government, and reduce the cost of running for office, thereby enabling a greater diversity of persons to seek public office.

A new Section 3-107 to the City of Portland Charter, shall read as follows:

1. Contributions in City of Portland Candidate Elections.

- a. An Individual or Entity may make Contributions only as specifically allowed to be received in this Section 3-107.
- b. A Candidate or Candidate Committee may receive only the following Contributions during any Election Cycle:
 - (1) Not more than five hundred dollars (\$500) from an Individual or a Political Committee other than a Small Donor Committee;
 - (2) Any amount from a Small Donor Committee;
 - (3) No amount from any other Entity.
- c. Individuals shall have the right to make Contributions by payroll deduction by any private or public employer upon the employer's agreement or if such deduction is available to the employees for any other purpose.

2. Expenditures in City of Portland Candidate Elections.

- a. No Individual or Entity shall expend funds to support or oppose a Candidate, except those collected from the sources and under the Contribution limits set forth in this Section.
- b. An Entity shall register as a Political Committee under Oregon law within three (3) business days of making aggregate Independent Expenditures exceeding \$750 in any Election Cycle to support or oppose one or more Candidates in any City of Portland Candidate Election.
- c. Only the following Independent Expenditures are allowed per Election Cycle to support or oppose one or more Candidates in any particular City of Portland Candidate Election:
 - (1) An Individual may make aggregate Independent Expenditures of not more than five thousand dollars (\$5,000).

- (2) A Small Donor Committee may make Independent Expenditures in any amounts from funds contributed in compliance with Section 1 above.
- (3) A Political Committee may make aggregate Independent Expenditures of not more than ten thousand dollars (\$10,000), provided that the Independent Expenditures are funded by means of Contributions to the Political Committee by Individuals in amounts not exceeding five hundred dollars (\$500) per Individual per year.

3. Timely Disclosure of Large Contributions and Expenditures.

- a. Each Communication to voters related to a City of Portland Candidate Election shall prominently disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication, including:
 - (1) The names of all Political Committees and other Entities that have paid to provide or present it; and
 - (2) For each of the largest five Dominant Contributors to each such Political Committee or Entity in the current Election Cycle:
 - (a) The name of the Individual or Entity providing the Contribution.
 - (b) The types of businesses from which the maker of the Contribution or Independent Expenditure has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the North American Industry Classification System (NAICS).
 - (3) For each of the largest five Dominant Independent Spenders paying to provide or present it:
 - (a) The name of the Individual or Entity providing the Independent Expenditure.
 - (b) The types of businesses from which the maker of the Independent Expenditure has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the North American Industry Classification System (NAICS).
- b. If any of the five largest Dominant Contributors or Dominant Independent Spenders is a Political Committee or nonprofit organization, the prominent disclosure shall include its top three funders during the current Election Cycle.

4. Coordination with Public Funding of Campaigns.

- a. A Candidate or Candidate Committee may receive during any Election Cycle any amount provided by a system of Public Funding of Campaigns.
- b. Any Candidate participating in a system of Public Funding of Campaigns may accept Contributions of not more than two hundred fifty dollars (\$250) from an Individual during any Primary Election Period or General Election Period.
- c. Any Contribution to a Candidate or Candidate Committee from a Small Donor Committee shall be attributed ratably to the Individuals whose Contributions to the Small Donor Committee enabled its Contribution to the Candidate or Candidate Committee.

5. Implementation and Enforcement.

- a. The provisions of this Section shall be implemented by ordinance to be operative not later than September 1, 2019.
- b. Each violation of any provision in this Section shall be punishable by imposition of a civil fine which is not less than two nor more than twenty times the amount of the unlawful Contribution or Expenditure or Independent Expenditure.

6. Adjustments.

All dollar amounts shall be adjusted on January 1 of each odd-numbered year to reflect an appropriate measure of price inflation, rounded to the nearest dollar.

7. Severability.

For the purpose of determining constitutionality, every section, subsection, and subdivision thereof of this Section, at any level of subdivision, shall be evaluated separately. If any section, subsection or subdivision at any level is held invalid, the remaining sections, subsections and subdivisions shall not be affected and shall remain in full force and effect. The courts shall sever those sections, subsections, and subdivisions necessary to render this Section consistent with the United States Constitution and with the Oregon Constitution. Each section, subsection, and subdivision thereof, at any level of subdivision, shall be considered severable, individually or in any combination.

8. Definitions.

Unless otherwise indicated by the text or context of this Section, all terms shall have the definitions at Chapter 260 of Oregon Revised Statutes, as of November 8, 2016. Terms found therein or defined below are capitalized in this Section.

- a. "Candidate" has the meaning set forth at ORS 260.005(1).
- b. "Candidate Committee" has the meaning set forth at ORS 260.039 - 260.041, as of November 8, 2016, for the term "principal campaign committee."
- c. "City of Portland Candidate Election" means an election, including a primary election, to select persons to serve (or cease serving) in public offices of City of Portland.
- d. "Communication" means any written, printed, digital, electronic or broadcast communications but does not include communication by means of small items worn or carried by Individuals, bumper stickers, signs smaller than 6 square feet, or a distribution of five hundred (500) or fewer substantially similar pieces of literature within any 10-day period.
- e. "Contribution" has the meaning set forth at ORS 260.005(3) and 260.007, as of November 8, 2016, except it does not include (1) funds provided by government systems of public funding of campaigns or (2) providing rooms, phones, and internet access for use by a candidate committee free or at a reduced charge.
- f. "Dominant Contributor" means any Individual or Entity which contributes more than one thousand dollars (\$1,000) during an Election Cycle to a Candidate Committee or Political Committee.
- g. "Dominant Independent Spender" means any Individual or Entity which expends more than one thousand dollars (\$1,000) during an Election Cycle to support or oppose a particular Candidate.
- h. "Election cycle" means:
 - (1) Generally, the period between an election at which a candidate is elected and the next election for that same office, disregarding any intervening primary or nominating election, any recall election, or any special election called to fill a vacancy.
 - (2) For any recall election: the period beginning the day that the recall election is called or declared and ending at midnight of the day of the recall election.
 - (3) For any special election called to fill a vacancy: the period beginning the day that the special election is called or declared and ending at midnight of the day of the election.
- i. "Entity" means any corporation, partnership, limited liability company, proprietorship, Candidate Committee, Political Committee, or other form of organization which creates an entity which is legally separate from an Individual.
- j. "Expenditure" has the meaning set forth at ORS 260.005(8) and 260.007, as of November 8, 2016, except that it does not include Communication to

its members, and not to the public, by a Membership Organization not organized primarily for the purpose of influencing the outcome of contests.

- k. "General Election Period" means the period beginning the day after the biennial primary election and ending the day of the biennial general election.
- l. "Individual" means a citizen or resident alien of the United States entitled to vote in federal elections; however, when this Section expresses a limitation or prohibition, "Individual" means any human being.
- m. "Membership Organization" means an incorporated or unincorporated nonprofit organization having members who pay dues or affirmatively choose to join and support the organization.
- n. "Primary Election Period" means the period beginning on the 21st day after the preceding biennial general election and ending the day of the biennial primary election.
- o. "Prominently Disclose" means:
 - (1) The Communication shall state:
 - (2) The disclosure shall be:
 - (a) Current to within ten (10) days of the printing of printed material or within five (5) days of the transmitting of a video or audio communication; and
 - (b) Comprehensible to a person with average reading, vision, and hearing faculties, with:
 - (i) any printed disclosure appearing in type not smaller than 8 points;
 - (ii) any video disclosure remaining readable on the regular screen (not closed captioning) for a sufficient time to be read by a person with average vision and reading ability; and
 - (iii) any auditory disclosure spoken at a maximum rate of five words per second.
- p. "Public Funding of Campaigns" means a system of providing funds from one or more government sources to qualifying candidates pursuant to legislation adopted by a public body.
- q. "Small Donor Committee" means a Political Committee which cannot accept Contributions in amounts exceeding one hundred dollars (\$100) per Individual contributor per calendar year.