SUMMARY

Allows candidate for public office to use political contributions only to support nomination or election of candidate. Prohibits candidate from using contributions for personal use. Prohibits candidate from using contributions to make contributions to other candidates or political committees, to defray office expenses, to pay criminal or civil penalties or to pay certain membership dues. Limits uses of contributions received by political committee that is not principal campaign committee.

Allows candidate to distribute contributions to principal campaign committee of same candidate for different office. Allows candidate who discontinues principal campaign committee to distribute excess contributions to charitable organization, political party, legislative caucus political committee or Legislative Assembly.

Prohibits candidate for public office from serving as candidate’s own treasurer. Provides exceptions for candidates who neither receive nor spend more than $2,000 in calendar year or who receive contributions only from themselves.

A BILL FOR AN ACT

Relating to elections; creating new provisions; and amending ORS 260.037, 260.038, 260.046 and 260.407.

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

USE OF POLITICAL CONTRIBUTIONS

SECTION 1. ORS 260.407 is amended to read:

260.407. [(1) Except as provided in subsection (2) of this section, amounts received as contributions by a candidate or the principal campaign committee of a candidate for public office that are in excess of any amount necessary to defray campaign expenditures and any other funds donated to a holder of

NOTE: Matter in boldfaced type in an amended section is new; matter in italic and bracketed is existing law to be omitted. New sections are in boldfaced type.
public office may be:]

[(a) Used to defray any expenses incurred in connection with the recipient's duties as a holder of public office;]

[(b) Transferred to any national, state or local political committee of any political party;]

[(c) Contributed to any organization described in section 170(c) of Title 26 of the United States Code or to any charitable corporation defined in ORS 128.620; or]

[(d) Used for any other lawful purpose.]

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

[(3) As used in this section:]

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

[(b) “Public office” does not include national or political party office.]

(1) Except as provided in subsections (3) and (4) of this section, a candidate or principal campaign committee of a candidate for public office may use contributions received by the candidate or committee only for the purpose of making expenditures to support the nomination or election of the candidate.

(2) Except as provided in subsections (3) and (4) of this section, contributions received by a candidate or principal campaign committee

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of a candidate for public office may not be:
(a) Converted by any person to any personal use;
(b) Contributed to any other candidate or political committee;
(c) Used to defray any expenses incurred in connection with the
recipient’s duties as a holder of public office;
(d) Used to pay any money award as defined in ORS 18.005 included
as part of a judgment in a civil or criminal action or any civil penalty
imposed by an agency as defined in ORS 183.310 or by a local govern-
ment as defined in ORS 174.116; or
(e) Used to pay membership dues to a professional or civic organ-
ization if the membership is not integrally related to the candidate’s
election or duties as a holder of public office.
(3) A candidate or principal campaign committee of a candidate for
public office may distribute contributions received by the candidate
or committee to the principal campaign committee of the same can-
didate for nomination or election to a different public office.
(4) If a candidate or principal campaign committee of a candidate
for public office does not intend to receive contributions or make ex-
penditures and intends to discontinue the statement of organization
of the candidate or committee under ORS 260.046, the candidate or
committee may distribute contributions received by the candidate or
committee to:
(a) Any organization qualified as a charitable organization under
26 U.S.C. 501(c)(3), or to any charitable corporation as defined in ORS
128.620, if the organization or corporation is not controlled by the
candidate or a member of the candidate’s immediate family;
(b) Any national, state or local political committee of any political
party;
(c) Any political committee organized by a caucus of either house
of the Legislative Assembly; or
(d) In the case of a candidate for the office of state Senator or state
Representative, the Property and Supplies Stores Account established under ORS 173.790.

(5) Contributions received by a political committee that is not a principal campaign committee of a candidate for public office may not be:

(a) Converted by any person to any personal use;

(b) Except as allowed under ORS chapter 244, used to defray any expenses incurred in connection with the duties of a holder of public office;

(c) Used to pay any money award as defined in ORS 18.005 included as part of a judgment in a civil or criminal action or any civil penalty imposed by an agency as defined in ORS 183.310 or by a local government as defined in ORS 174.116; or

(d) Used to pay membership dues of a candidate or holder of public office to a professional or civic organization if the membership is not integrally related to the candidate’s election or the duties of the holder of public office.

(6) The Secretary of State by rule may specify expenditures that are allowed or prohibited under subsection (1), (2) or (5) of this section.

(7) As used in this section, “public office” does not include a national or political party office.

CANDIDATE AS CANDIDATE’S OWN TREASURER

SECTION 2. ORS 260.037 is amended to read:

260.037. (1) A candidate [may serve as the candidate's own treasurer or may] shall appoint and certify to the filing officer the name and address of a treasurer of the candidate’s principal campaign committee. [A candidate’s treasurer] Except as provided in subsection (4) of this section, a candidate may not serve as the candidate’s own treasurer. The treasurer of a principal campaign committee shall perform all the duties pre-
scribed for the candidate under ORS 260.005 and 260.035 to 260.159.

(2) The candidate, in addition to the treasurer, [shall be] is personally
responsible for the performance of [such duties and] the duties prescribed
for the candidate under ORS 260.005 and 260.035 to 260.159.

(3) Any default or violation by the treasurer [shall be conclusively] is
considered a default or violation by the candidate.

(4) A candidate may serve as the candidate's own treasurer if:

(a) The candidate expects neither the aggregate contributions to be
received nor the aggregate expenditures to be made by or on behalf
of the candidate to exceed $2,000 in total amount during the calendar
year; or

(b) The candidate receives contributions only from the candidate.

(5) A candidate who serves as the candidate's own treasurer shall
appoint and certify to the filing officer the name and address of a
person who will serve as treasurer of the candidate's principal cam-
ampaign committee if, during the calendar year, either the aggregate
contributions or aggregate expenditures exceed $2,000 or the candidate
receives and accepts a contribution from a person other than the
candidate. The candidate shall make the appointment and certification
at the same time the candidate designates the candidate as treasurer
under subsection (1) of this section.

SECTION 3. ORS 260.038 is amended to read:

260.038. (1) An individual may be appointed and serve as treasurer of a
candidate and a political committee or of two or more candidates or political
committees.

(2) A candidate or political committee may remove a treasurer. In event
of the death, resignation or removal of a treasurer before compliance with
all obligations of a treasurer under ORS 260.005 and 260.035 to 260.159, a
candidate, if required under ORS 260.037, or [may and a] political com-
mittee shall appoint a successor and certify the name and address of the
successor in the manner of an original appointment.
SECTION 4. ORS 260.046 is amended to read:

260.046. (1) A filing officer, in accordance with rules adopted by the Secretary of State, may discontinue the statement of organization of a candidate, principal campaign committee or political committee if the candidate, principal campaign committee or political committee has not filed a statement of contributions received or expenditures made under this chapter.

(2) The Secretary of State shall adopt rules prescribing conditions and procedures under which a filing officer may discontinue a statement of organization under this section.

(3) If a filing officer discontinues a statement of organization under this section, the filing officer shall provide written notice to the candidate, principal campaign committee or political committee that the statement has been discontinued.

(4) A candidate, principal campaign committee or political committee may discontinue a statement of organization in the manner specified by the Secretary of State by rule.

SECTION 5. (1) The amendments to ORS 260.407 by section 1 of this 2007 Act apply to expenditures or distributions of contributions made on or after the effective date of this 2007 Act.

(2) The amendments to ORS 260.037, 260.038 and 260.046 by sections 2 to 4 of this 2007 Act apply to:

(a) Individuals who are or who become candidates or treasurers on or after the effective date of this 2007 Act;

(b) Principal campaign committees or political committees for which a statement of organization was filed prior to the effective date of this 2007 Act and has not been discontinued; and

(c) Principal campaign committees or political committees for which a statement of organization is filed on or after the effective date of this 2007 Act.

SECTION 6. A candidate who serves as the candidate’s own treasurer on the effective date of this 2007 Act and who is required to ap-
point and certify the name and address of a treasurer under ORS 260.037, as amended by section 2 of this 2007 Act, shall file an amended statement of organization under ORS 260.039 with the filing officer not later than 30 business days after the effective date of this 2007 Act. The amended statement shall specify the name and address of the treasurer of the principal campaign committee of the candidate.

SECTION 7. The unit captions used in this 2007 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 2007 Act.