



# OFFICE OF THE SECRETARY OF STATE

## NEWS RELEASE

**BILL BRADBURY**

**For Immediate Release:**  
September 28, 2004

**Contact:** Summer Davis  
Elections Division  
(503) 986-1518

The Office of the Secretary of State received a certified ballot title from the Attorney General on September 27, 2004, for initiative petition #7, proposing a statutory amendment, for the General Election of November 7, 2006.

In addition, Secretary of State Bill Bradbury determined that the proposed initiative petition was in compliance with the procedural requirements established in the Oregon Constitution for initiative petitions.

The certified ballot title is as follows:

**REVISES CAMPAIGN FINANCE LAWS: LIMITS OR PROHIBITS CONTRIBUTIONS AND EXPENDITURES; ADDS DISCLOSURE, NEW REPORTING REQUIREMENTS.**

**RESULT OF "YES" VOTE:** "Yes" vote limits or prohibits certain contributions and expenditures on candidate campaigns; limits candidate's spending of personal funds; requires contributor disclosures; adds new reporting requirements.

**RESULT OF "NO" VOTE:** "No" vote retains current law, which does not limit contributors, contributions to, or expenditures for state or local public office candidates; maintains existing reporting requirements.

**SUMMARY:** Current law requires reporting of certain contributions and expenditures, but does not limit contributors, contributions, or expenditures for public office candidates. Measure limits individual contributions to candidates, political committees, "small donor committees," political parties, with annual cap for all contributions; limits political committee, political party contributions to candidates and each other; allows unlimited contributions by "small donor committees" (accepting only contributions not exceeding \$50 per individual annually). Prohibits corporate, union, organizational contributions and expenditures except through political committees funded solely by individuals. Limits: candidate's spending to own candidacy; "independent expenditures" (defined) by individuals, political entities, organizations. Establishes: voluntary contributions limits; new disclosure, reporting requirements; procedure for increasing limits if necessary to comply with state, federal constitutions. Unspent candidate funds revert to state. Other provisions.

Chief Petitioner(s): David E. Delk, 112 NE 45th, Portland, OR 97213.

Copies of the text of this initiative are available at Room 141 State Capitol, for \$2.50. Written requests for copies with your remittance of \$2.50 prepaid, should be addressed to: Elections Division, Room 141 State Capitol, Salem, OR 97310-0722.

There now follows an appeal period of 10 business days. Any elector dissatisfied with the ballot title certified by the Attorney General, who also submitted in a timely manner written comments which addressed the specific legal standards a ballot title must meet, may petition the Supreme Court for a different title. The appeal period ends at 5:00 p.m. on October 11, 2004. The appeal procedures are outlined in ORS 250.085.

The required number of signatures for placement on the 2006 general election ballot is 75,630. These signatures must be filed in this office not later than July 7, 2006.

# # #



**DEPARTMENT OF JUSTICE**  
APPELLATE DIVISION

September 27, 2004

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STATE OF OREGON  
DEPARTMENT OF JUSTICE

John Lindback  
Director, Elections Division  
Office of the Secretary of State  
141 State Capitol  
Salem, OR 97310

Re: Proposed Initiative Petition — Revises Campaign Finance Laws: Limits Or Prohibits Contributions And Expenditures; Adds Disclosure, New Reporting Requirements.  
DOJ File #BT-07-04; Elections Division #07

Dear Mr. Lindback:

We have reviewed the comments submitted in response to the draft ballot title for the above-referenced prospective initiative petition. We provide the enclosed certified ballot title for the proposed measure, which differs from the draft ballot title.

This letter summarizes the comments that we received, the reasons why we accepted some of those comments, and the reasons why we rejected the remaining comments. ORAP 11.30(7) requires that this letter be included in the record in the event the Oregon Supreme Court reviews this ballot title.

**The Caption**

In offering two alternative captions, commenters Daniel W. Meek and Lloyd K. Marbet asserts that the draft caption is not in substantial compliance because it mentions only the contribution/expenditure limits and does not mention the other major features that they identify of the measure. We agree that the caption should identify other aspects of the measure and have modified the caption with a variant of their suggested alternatives.

In the certified caption, we have covered the three major aspects that the commenters suggest: the contribution/expenditure limits; the contributor disclosure requirement; and the new reporting requirements. First, the caption explains that the measure both limits, and in some cases prohibits, contributions and expenditures. Second, we do not use the phrase "financial reporting" because that phrase is not explained or further defined in the remaining parts of the ballot title. We prefer the phrase "new reporting requirements" to signify that measure adds new reporting requirements to the existing requirements under current law.

The commenters also assert that the caption does not convey that the measure applies only to candidate campaigns and does not apply to ballot measure campaigns. Although the

caption does not explicitly narrow the scope of the campaigns that this measure addresses, the “Yes” statement and the summary accurately do so. Thus, due to the word limitations in the caption, we do not accommodate this suggestion and instead rely on the “Yes” statement and the Summary to provide that information.

### **The “Yes” Statement**

The commenters do not directly comment on the draft “Yes” statement, but they do offer an alternative “Yes” statement that they assert conveys more useful information about the measure. Because we have modified the caption consistent with the commenters’ suggestions as explained above, we have modified the “Yes” statement accordingly. Thus, we have adopted a variant of the suggested statement. We do not adopt the commenters’ phrase “tax credit restrictions” because the summary statement does not address that part of the measure. We have adopted, however, a variant of the remaining parts of their suggested statement.

### **The “No” Statement**

The commenters assert that (1) the “No” statement is very close to being the “Yes” statement in reverse; and (2) that the phrase “retains existing reporting requirements” is misleading. Further, the commenters offer an alternative “No” statement that they claim provides “more useful information about the effects of a ‘no’ vote.”

First, the draft “No” statement devotes the bulk of the allotted 25 words to affirmatively state existing law as to avoid a statement that simply states that a “no” vote rejects a “yes” vote. Moreover, the “No” statement does not, as the commenters’ suggested alternative does, use two separate phrases to explain what a “No” vote rejects. However, we have substituted the term “maintains” for the term “retains” when describing the existing reporting requirements in order to avoid any confusion on whether the measure eliminates the existing reporting requirements under current law. The use of the term “maintains” better describes that the existing reporting requirements will not be displaced by the new reporting requirements under the measure.

### **The Summary**

The commenters first claim that their suggested alternative is more accurate and complete because it states that the measure applies only to campaigns for public office and does not apply to ballot measure campaigns. However, the commenters do not point out any inaccurate or misleading statements in the draft summary that would lead a voter to believe that the measure applies to ballot measure campaigns. Accordingly, we do not modify the summary on that basis.

Next, the commenters suggest that the draft summary is inaccurate when it states that the measure “[p]rohibits corporate, union, organizational contributions and expenditures except through political committees funded solely by individuals.” By its terms, however, the measure allows just that.

Subsection (9) of the measure allows corporations, unions, or other entities to establish a separate, segregated fund that operates as a political committee with certain limitations. One of those limitations is that the fund consists solely of voluntary contributions from individuals who have complied with the individual contribution limitations. Thus, although it is true that a corporation, union, or other entity cannot make a contribution *to* a political committee, the fund established and administered by that corporation, union, or other entity, which operates *as* a political committee, can make campaign contributions subject to the other limitations in the measure.


For example, Corporation X, Union Y, and Entity Z each establish a political committee that is funded solely by individuals. Those political committees, which are administered and operated by X, Y, and Z, can combine those individual contributions and then make a single contribution to a candidate campaign subject to the other limitations in the measure. Accordingly, the summary accurately describes the provisions of the measure.

Finally, we modify the summary only by removing the term "and" in the phrase: "Establishes \* \* \* new disclosure and reporting requirements" because the draft summary contained too many words.

### **Procedural Constitutional Requirements**

Commenters Meek, Marbet, Andrea R. Meyer, and David Fidanque raise issues regarding whether the proposed measure violates the separate-vote, single-subject, and full-text provisions of the Oregon Constitution. These issues are beyond the scope of the ballot title drafting process. *See* OAR 165-014-0028 (providing for separate review process by the Secretary of State to determine whether measure complies with the constitutional procedural requirements for proposed initiative measures).

For the reasons stated above, we have made changes to the draft ballot title. We certify the attached ballot title pursuant to ORS 250.067(2).

Respectfully, 

Steven R. Powers  
Assistant Attorney General

SRP:srp/APP71810.DOC

#### Enclosure

c: Peter Shepherd, Deputy Attorney General  
Don Arnold, General Counsel Division  
Lynn Rosik, General Counsel Division

John Lindback  
September 27, 2004  
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**BALLOT TITLE**

**REVISES CAMPAIGN FINANCE LAWS: LIMITS OR PROHIBITS CONTRIBUTIONS AND EXPENDITURES; ADDS DISCLOSURE, NEW REPORTING REQUIREMENTS.**

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