June 12, 2019

To: Senate Committee on Rules
Senator Ginny Burdick, Chair

Email: srules.exhibits@oregonlegislature.gov

Re: HB 2983 A – Disclosure of “dark money” organizations intending to influence Oregon elections – Support

The League of Women Voters, both nationally and at the state level, has been working for comprehensive campaign finance reform since the 1970s.

The LWV of Oregon has previously written March 13 in support of the general importance of this bill. In this letter we want to comment on the specific features of the A Engrossed version.

Section 2 (4)(b) excludes income of a covered organization in the ordinary course of trade or business. We recognize that this could be a loophole used to funnel “dark money” into a political campaign, but if that income is used in a political campaign it would be illegal under this bill. It may just be very difficult to enforce this provision without a deep investigation when a violation is suspected.

Section 2, subsections (7) through (10) set very high thresholds ($25,000 and $100,000) for disclosure of lists of donors to a covered organization. These are extraordinary amounts of money and are much more than the threshold for campaigns to disclose expenditures in ORESTAR. $5000 and $20,000 might be more realistic thresholds.

Likewise, in Section 3, subsection (1)(a) and three other places, the aggregate $10,000 threshold amount for disclosure of each donor is also very high and is much, much more than the threshold for campaigns to disclose contributions in ORESTAR. $1000 might be a more realistic threshold.

We recognize that there may be features of this bill that may be challenged in court as perhaps being unconstitutional. That should not hold up passage of this bill since this bill is sorely needed to inhibit “dark money” from entering Oregon political campaigns. Even without changing the problematic features that we have discussed in this letter, we think this bill is so important that it could pass as is.

Thank you for the opportunity to discuss this legislation.

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