To: House Rules Committee
From: William Vollmer, Act for Democracy and Consolidated Oregon Indivisible Network (COIN)
Re: Testimony in opposition to HB 3455

The Consolidated Oregon Indivisible Network (COIN) is an affiliation of grassroots organizations throughout the state that promote progressive causes and legislation. Act for Democracy is a Portland-based member of the COIN Network. This testimony is being submitted on behalf of both entities.

In 2020, Oregon voters passed BM107 by a 78% - 22% margin, making crystal clear their desire for real campaign finance reform. Additionally, in both 2016 and 2018 better than 87% of voters in Multnomah County and Portland adopted comprehensive campaign finance reform measures, including "ad paid for by" requirements. Yet despite this evidence of overwhelming voter support for good campaign finance reform, the Legislature has yet to pass any meaningful legislation addressing the issue.

Four key goals of meaningful campaign finance reform on which I'm sure we can agree are:

1) to give more voice to regular Oregonians, especially those from marginalized communities, by ***limiting the ability of wealthy individuals, businesses other special interest groups to dominate our election process***;
2) to build in ***strong transparency and accountability*** to restore public confidence in our elections;
3) to ***not favor any one political party*** over others; and
4) to ***avoid loopholes*** and other ways to game the system.

HB 3455 combines HB 2003 with HB 2695 (two bills that we also do not support). Like HB 2695, the disclosure part of HB 3455 replaces some threshold amounts of spending that are exempt from any "drill down" disclosure requirements with literal blanks (______). So maybe it is an improvement or maybe it is not. Its disclaimer provision removes the loophole for all candidate committees that they received in the 2019 disclaimer bill, HB 2716. Still, there is no drill down in the disclaimer requirements beyond the funders who last touched the money before it was transferred to the entity that placed the advertisement. Such one-level drill downs are easily evaded by the creation of nice-sounding nonprofit corporations or even unincorporated associations or clubs, with only their names appearing on the advertisements.

Like HB 2003, HB 3455 also incorporates an old version of public funding of some campaigns (only for those running for State Senate or State Representative). Its thresholds for qualification mean that the public funding will quite likely be limited only to establishment candidates, including incumbents. The bill allows both participating and non-participating candidates to receive contributions from corporations, unions, associations, and clubs (the latter two entities not defined). It allows nonparticipating candidates to receive huge contributions from all of those entities in the form of in-kind services to the campaigns, along with large cash amounts of membership organizations of all sorts. The bill allows candidates to carry over funds into future election cycles, thus allowing them to amass war chests to discourage competitors. The bill allows candidates to spend the public money to pay non-salary compensation to the candidate or relatives of the candidate; pay legal expenses incurred by the candidate in any civil, criminal or other legal proceeding or investigation; pay expenses incurred in connection with the recipient’s duties as a holder of public office (such as hiring relatives); or donate to any person or entity that is not a candidate campaign.

More detailed summaries of our concerns and proposed solutions to them are laid out in the testimony by Honest Elections Oregon, Common Cause, OSPIRG, the League of Women Voters and other so-called "good government" groups.