SENATE ETHICS, ELECTIONS, AND CAMPAIGN FINANCE COMMITTEE

March 11, 1993 Hearing Room B 3:00 p.m. Tapes 22 and 23 MEMBERS PRESENT:Senator Grattan Kerans, Chair Senator Neil Bryant Senator Joan Dukes Senator Rod Johnson MEMBERS EXCUSED: Senator Dick Springer STAFF PRESENT: Annette Talbott, Committee Counsel Tamara Brickman, Committee Assistant MEASURES CONSIDERED: Informational meeting with invited guests:

PHIL KEISLING, Secretary of State JOHN STUBENVOLL, Oregon State Public Interest Research Group (OSPIRG) DAVID BUCHANAN, Oregon Common Cause CHERI UNGER, League of Women Voters HARRY LONSDALE

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OO6 CHAIR KERANS: Calls meeting to order at 3:17 p.m. Excuses Sen. Springer and Sen. Dukes (who will be arriving late). OO7MOTION: CHAIR KERANS: Moves to introduce LC 3586, LC 3588, LC 3589, LC 359 0, LC 3591, and LC 3592 as committee bills at the request of the Secretary of State. 008 CHAIR KERANS: Hearing no objections the motion CARRIES. EXCUSED: Sen. Springer and Sen. Dukes. 009 SEN. JOHNSON: Excused to leave the hearing to meet with some people in the hall. The hearing recesses at 3:19 p.m.

Hearing reconvenes at 3:21 p.m.

015 CHAIR KERANS: Speaks about issues regarding campaign finance reform.

071 SEN. JOHNSON: Comments on Chair Kerans' statements regarding campaign finance reform and adds that it is his belief that "most of the people that are in this legislative body...are pretty good people." Senate Ethics, Elections, and Campaign Finance Committee March 11, 1993 - Psge 2

087 PHIL KEISLING, Secretary of State: Addresses issues concerning campaign finance reform and goals to accomplish the reform. (EXHIBIT C) CHAIR KERANS: Asks how much a candidate's page in the voters' 227 pamphlet actually costs. 230 KEISLING: Responding to Chair Kerans explains that one eighth of the cost of the voters' pamphlet is provided by the money paid for by a candidates. Continues discussion of campaign finance reform. (EXHIBIT C) 289 SEN. JOHNSON: Asks if the voluntary expenditure limits have been tested in the courts. 298 KEISLING: Responds to Sen. Johnson and explains that voluntary expenditure limits have been tested in the US Supreme Court and declared constitutional in Bucklev v. Valeo, (1976). Comments that approximately a dozen states have voluntary expenditure limits. (EXHIBIT A) 305 CHAIR KERANS: Clarifies a statement made previously by Mr. Keisling regarding whether it was "invidious discrimination" to require higher filing fees of candidates who do not agree to voluntary expenditure limits. 311 KEISLING: "There is an argument that you can have the voluntary limits, but then things that you might do to try to enforce the limits might run afoul of that." 320 CHAIR KERANS: Comments that Oregon used to have campaign spending limitations before the 1973 session which were struck down in Deras v. Myer, (1975). 340 JOHN STUBENVOLL, Consumer Advocate, OSPIRG: Reviews the goals and ideas of OSPIRG regarding campaign finance reform. (EXHIBITS D and E)

TAPE 23, SIDE A

001 STUBENVOLL: Continues testimony. (EXHIBITS D and E)

074 SEN. BRYANT: Asks a question on limiting independent expenditures.

080 STUBENVOLL: Responds to Sen. Bryant and explains that there are limits on the ability to limit those kind of expenditures due to free speech concerns. Comments that OSPIRG supports "maximum reporting and disclosure of those type of independent expenditure campaigns."

095 STUBENVOLL: Responds to Sen. Bryant and explains that if a candidate with a voluntary expenditure limit has reached the limit, within the last part of the campaign, and an independent expenditure gave his/her opponent an advantage, there may be some support to allow the candidate to spend additional money to counter the independent expenditure.

101 CHAIR KERANS: Comments that SB 416 addresses the issue discussed by Mr. Stubenvoll and Sen. Bryant. Discusses the issue of collusion. 122 DAVID BUCHANAN, Director, Oregon Common Cause: Discusses issues regarding campaign finance reform. Comments on the views of Oregon Common Cause.

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156 CHAIR KERANS: Discusses the Ballot Measure 7 put out in 1976 by himself and Rep. Hardy Myers, which dealt with public financing. 164 BUCHANAN: Continues comments regarding campaign finance reform. References SB 143. 199 JEN HOFFMAN, Chair, Oregon Common Cause: Discusses the four principals that Oregon Common Cause would like in legislation: contribution limits, voluntary expenditure limits, elimination of pass-throughs, and elimination of tax credits to PACs.

226 CHAIR KERANS: Asks Ms. Hoffman, if Common Cause considered allowing tax credits for contributions for measures.  $\sim$ 

229 HOFFMAN: Explains that Common Cause would like to retain tax credits for measures. 246 CHERI UNGER, Vice President, Oregon League of Women Voters: Testifies on issues regarding campaign finance reform. (EXHIBIT F)

340 HARRY LONSDALE: Discusses his views and comments on "four points" of campaign finance reform: 1) reinforce the issues from the former testimonials, 2) share personal experiences about campaign finance reform, 3) "stress the need for reform in federal elections as well as in state elections," 4) " share a few ideas about how we might fund or reform federal election law." Distributes reference material to the members of the committee. (EXHIBITS ??) Still the Best Monev Congress Can Buy

TAPE 22, SIDE B 033 LONSDALE: Suggests 4 objectives must be met for campaign finance reform: 1) facilitate communication between candidate

and voters, 2) "eliminate the influence of special interest money," 3) "protect" the candidate from spending too much time fund raising, 4) improve legislator integrity. Addresses the issue of public funding of campaigns through tax check off system. Discusses a Minnesota law which provides public funding for elections. (EXHIBIT G)

O89 CHAIR KERANS: Comments that reform should be aimed at giving people more of a sense that they have "invested in their democratic process." O97 LONSDALE: Discusses in his own campaign that people were contributing to him and his opponent. 103 SEN. DUKES: Asks how to balance the situations between wealthy and non-wealthy candidates.

109 LONSDALE: Discusses with Sen. Dukes issues regarding "low caps on expenditure limits," which would have to be voluntary. Discusses public disclosure as a means to "induce people to accept limits."

125 CHAIR KERANS: Addresses the issue of exceeding the voluntary expenditure limit when a person has also received public financing. 203 SEN. BRYANT: Asks what the committee intends to do about Representative Beverly Stein's bill.

204 CHAIR KERANS: Comments that the committee can look at is as an amendment. Comments that he considers that bill as a "companion measure."

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210 CHAIR KERANS: Adjourns meeting at 4:30 p.m.

Submitted by: Reviewed by: Tamara Brickman Anneue Talbott Assistant Counsel

EXHIBIT LOG A - Brief on Buckley v. Valeo - Committee Staff - 2 pages SB 416 B - Preliminary Staff Measure Summary on SB 416 - Committee Staff -2 pages C - Testimony on Campaign Finance Reform - Phil Keisling - 4 pages D - Testimony on Campaign Finance Reform - Joel Ario - 10 pages E - A State-by-state analysis of campaign finance laws - John Stubenvoll -10 pages F - Testimony on Campaign Finance Reform - Cheri Unger - 1 page G - Materials on Campaign Finance Reform - Harry Lonsdale - 22 pages These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.