## SENATE ETHICS, ELECTIONS, AND CAMPAIGN FINANCE COMMITTEE

April 1,1993 Hearing Room B 3:00 p.m.Tapes 34 and 35 MEMBERS PRESENT:Senator Grattan Kerans, Chair Senator Neil Bryant Senator Joan Dukes Senator Rod Johnson Senator Dick Springer STAFF PRESENT:Annette Talbott, Committee Counsel Tamara Brickman, Committee Assistant MEASURES CONSIDERED:Work Session SB 416 . 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. TAPE 34, IDE A

004 CHAIR KERANS: Calls meeting to order at 3:12 p.m. 006 CHAIR KERANS: Refers to the "decision making memo" from committee counsel. Begins a discussion on contribution limits. Discusses his answer to the first question on contribution limits. "The question is under what circumstance? Whether it's to voluntarily limit or in all circumstances?" (EXHIBIT C) 029 ANNETTE TALBOTT, Committee Counsel: Discusses labor unions and corporations contribution limit solutions. Discusses what some states have required labor unions and corporations to form PACs, in order to contribute funds to campaigns. Discusses courts decisions on the issue. 040 CHAIR KERANS: Discusses the issue of contribution limits. Sections 23 and 24. "The threshold question, one do we want them..."

060 SEN. JOHNSON: Discusses his "reservations" of SB 416.

O62 CHAIR KERANS: Discusses contribution limits of SB 416 with comparison of other bills on campaign finance. (EXHIBIT D) 088 SEN. DUKES: "Were you considering language that would include an individual's ability to contribute to his or her own campaign? That the campaign would not be able to take contributions greater than so much from...individuals, that would include the candidate also?"

101 TALBOTT: Comments that the question is on the memo on page four and something which the committee will be considering. (EXHIBIT C) Senate Ethics, Elections, and Campaign finance Committee April 1, 1993 -Page 2

109 CHAIR KERANS: Makes a suggestion to "take all of section 23, as a format."

116 SEN. DUKES: "That's fine with me. What are minors?"

117 CHAIR KERANS: "Those are children." Reads the language from the bill section 23. Explains the reasoning behind that language.

126 SEN. BRYANT: "Are you doing anything about bundling?"

127 CHAIR KERANS: "It's in there."

128 SEN. BRYANT: Comments that he favor the contribution limits in Secretary of State Phil Kiesling's bill, (SB 143).

131 TALBOTT: Clarifies that the limits are per single election, except for in SB 143 "on per PAC contribution per individual is actually a calendar year." 137 SEN. BRYANT: "And the pc stands for PAC?" 138 TALBOTT: "Political committee. Correct." Explains that it is called a political committee under statute.

141 SEN. JOHNSON: Asks what Sen. Bryant meant by saying that the limitations in SB 416 were too low. 142 CHAIR KERANS: Explains Sen. Bryant's statement on contribution limits. Comments on the limits in SB 143. 156SEN. BRYANT: "The limit for our races as I understand this would be a \$1,000 that you could receive from a PAC or and individual for your particular..."

163 TALBOTT: "Under SB 416 correct. For the entire election cycle, the primary and the general, you could receive, if you were a legislator, \$500."

166 CHAIR KERANS: "\$250 pieces, one in the primary one in the general." Comments that those are just the "general limits" and they have not yet discussed the limits associated with public financing, which would "step down even farther." Continues the discussion on contribution limits.

193 TALBOTT: Refers to the "Overview of the Federal Election Campaign Act (FECA)", for comparison purposes. (EXHIBIT A)

205 CHAIR KERANS: Begins discussion on the next question.

210 TALBOTT: "Mr. Chair, the next question is 'should the contribution limits vary based on the political office as they do in SB 416?' As opposed to a flat amount for any candidate in any race?"

213 CHAIR KERANS: Asks if anyone has an objection to "stair step" for what limits should be for different offices. 221SEN. BRYANT: "I think that's fair and makes sense." - 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. . Senate Ethics, Elections, and Campaign Finance Committee April 1, 1993 -Page 3

222 CHAIR KERANS: "Let counsel note that we've agreed to the stair step."

224 SEN. DUKES: "The issue was raised in testimony, the other day, as to whether or not we wanted to restrict this to statewide and legislative offices or put some type of regulation in for local level?" 233 CHAIR KERANS: Discusses Sen. Dukes' comment on limits for local governments. Discusses the first question on EXHIBIT C, in regards to contributions from labor organizations and corporations. 292 SEN. BRYANT: "Labor PACs have a definite advantageI favor the level playing field." 299 SEN. DUKES: Comments on labor PACs.

312 CHAIR KERANS: Discusses the FEC guidelines. Continues the discussion on PAC contributions and the purpose of SB 416. "I have a problem with PACs being better than people. I think we ought to reverse that. "

356 TALBOTT: Begins discussion on the question "should there be a limit on how much an individual or person can contribute to a political committee?" Comments that SB 416 does not have such a limit. Explains that FECA has a limit on what an individual can contribute to a candidate and to PAC. SB 143 has a limit of \$500 from an individual can give to a political committee per calendar year. (EXHIBIT C) 372 CHAIR KERANS: "I would be happy with pulling that out of the Secretary of State's bill (SB 143) and putting it in SB 416." Asks how the committee feels about the amount. 379 TALBOTT: Explains that the amount is for calendar year and not per single election. 381 SEN. DUKES: Asks why the contribution amount would be the same to a PAC and an individual.

385 CHAIR KERANS: Discusses Sen. Dukes' question.

395 TALBOTT: "A political committee might have a longer life span than a candidate who has won."

399 CHAIR KERANS: "Let's divide the question. Is there any objection to setting a limit on amounts a person can contribute to a political committee in a calendar year? Hearing none we have established that. The question is whether \$500 or a \$1,000 somewhere in between makes sense?"

412 CHAIR KERANS: "\$500? Is that good enough? Apparently so. " Comments that the answer to the question the committee is discussing is yes and the amount is \$500.

418 TALBOTT: "The other thing to keep in mind in the bill...is the aspect that the individuals are still free to make independent expenditures on their own, without any cooperation from a candidate."

427 CHAIR KERANS: Begins the discussion the next question. "Should there be an aggregate limit on amount the amount of money that can be contributed to a candidate by an individual?" (EXHIBIT C)

433 TALBOTT: "Should be annual." Comments on FECA amounts.

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CHAIR KERANS: Explains that the question should be a limit on the 438 aggregate amount contributed by an individual. "If we have set a \$500 maximum that the person can give to a PAC, and a \$500 and down maximum that you can give to a candidate, do we need to then have an aggregate?" (EXHIBIT C) 460 TALBOTT: "I think the committee needs to be aware that when (it's) designing the structure of the bill that (it) needs to look at what the government's legitimate purpose is, and the one that the Supreme Court has adopted in regards to contributions limits under the federal act (FECA) is the purpose to limit corruption and the appearance of impropriety, and undue influence when large amounts of monies are contributed to particular candidates or committees by a single source." 471 CHAIR KERANS: "I think it's important we state that because that's exactly what we are trying to do here. " Discusses the reasoning behind establishing contribution limits and public financing. Discusses the issue of limits on the aggregate amount of money an individual could contribute.

TAPE 35, SIDE A

034 CHAIR KERANS: Continues the discussion on the limits on aggregate amounts an individual can contribute. Discusses specific amounts people

could give in contested races. Comments that the answer to the question of aggregate limits "appears to be no." 045 TALBOTT: Discusses that one reason for aggregate limits is the "concern that there will be some circumvention of the limits." Explains how procedures have been devised to circumvent contribution limits. 055 CHAIR KERANS: "I think that's true." Discusses the amount in the matrix as his solution. (EXHIBIT D) 063 SEN. SPRINGER: Comments that would be agreeable to him.

064 CHAIR KERANS: Discusses the question dealing with bundling. (EXHIBIT C)

093 SEN. BRYANT: Asks about someone who sponsors a breakfast.

095 CHAIR KERANS: "If it is from the individual to the candidate then it's permitted." Discusses, with Sen. Bryant, a situation in which a person sponsors a luncheon, dinner, etc. and raises funds for a candidate, and he explains when that would be considered bundling and when it would not. 121 SEN. DUKES: Comments she does not believe a person is an agent of a person's campaign if the person hands out envelopes to people for the candidates campaign for contributions and people mail in the contributions, individually. 126 CHAIR KERANS: "When a person takes possession of a check from someone other than their own (check) and someone other than a person in their household and acts as an agent of the candidate to transmit it, they're bundling. If they distribute the envelopes and people have free will to do what they want..then the person who distributes the envelope is not an agent and not bundling."

133 SEN. BRYANT: Discusses the distinction of when bundling occurs and when it does not.

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140 TALBOTT: "The issue then is if the person who is pitching is a political committee...and they have the breakfast for you and they have already met their contribution limit, then the reason for the issue of the bundling is that they may well be trying to be circumventing their contribution limit to that candidate." Discusses the issue of enforcement and reasons for regulations of bundling.

159 CHAIR KERANS: "Let's say for purposes of bundling that an individual may make a pitch, distribute the envelopes, and leave people free will to send the check in. That's not bundling. It's only when the person takes possession and acts as the agent...a person associated with a PAC may not engage in this behavior and rule it out as bundling." 167 SEN. DUKES: "Mr. Chair, what's the distinction?" CHAIR KERANS: "The distinction is that the PAC has already given you \$250 and now they are calling people together and saying now let's go over the top and give you the check." 169 SEN. DUKES: Comments that she does not understand why that distinction is made as long as those people continue to have free will and send in or not send in the envelope. 176 CHAIR KERANS: "Let's just simply say that no one may be an intermediate agent. Bundling means you give your check over to any second person, not the candidate. So the people who are representing the PAC may not take those checks." Discusses an example of a person representing a PAC. 189 SEN. SPRINGER: "Does this apply to all candidates for political office?" 190 CHAIR KERANS: "No. This is for legislative candidates and statewide elected officials."

192 TALBOTT: "The contribution limits are."

193 SEN. SPRINGER: "Do we include judges in that?"

CHAIR KERANS: "No." References SB 213, which is a bill to deal with judges.

197 SEN. SPRINGER: "Presumably an employee of a candidate can receive checks."

199 CHAIR KERANS: "That is to say a campaign manager or somebody on their campaign committee. Yes, I think if they are an employee of the candidate." 201 SEN. SPRINGER: Asks a question in regards to a volunteer finance chair of a campaign.

204 CHAIR KERANS: Comments that he does not believe so, that it would have to be an employee of the campaign. 205 SEN. DUKES: Discusses the issue of a designated person picking up checks or money that the candidate has raised over the phone. 216 CHAIR KERANS: Discusses thatthe person would be an "intermediate agent as we've done it here." Discusses the difference between employees of campaigns and designated "volunteers" of a campaign.

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243 TALBOTT: Comments that she will work with legislative counsel to develop language which would "avoid the circumvention of the contribution limit." Discusses possible language possibilities.

250 CHAIR KERANS: "Nobody could do it unless you're on the payroll of the campaign or you are a volunteer not associated with a political action committee..."

SEN. SPRINGER: "Or registered as a lobbyist."

258 SEN. BRYANT: "Eliminate those people rather than just saying everybody."

263 TALBOTT: Comments that there are several federal bills dealing with bundling that she can look at and bring back "a couple different approaches."

268 CHAIR KERANS: Comments that the bill should include a prohibition against bundling. Comments that a paid employee and a designated volunteer, not a registered lobbyist, director or agent/employee of a PAC or corporation, should be permitted to collect money. 289 CHAIR KERANS: "Do you want an exception of the contribution limitation for caucus political party committees? My answer would be yes." Discusses SB 143 section 8, subsection 3, in regards to political party caucus committees. 319 SEN. JOHNSON: Discusses his objections to exceptions to the contribution limits for political party caucus committees. 328 CHAIR KERANS: Responds to Sen. Johnson and explains that a PAC would still be limited in what they could give to political party caucus committee. 329 TALBOTT: "It is what the caucus can give to a candidate of their own." 330 SEN. JOHNSON: "That I can go along with." 332 CHAIR KERANS: "Do we want to make some upper limit on how much a caucus could give?" 333 TALBOTT: "Mr. Chair in the Federal Election Campaign Act they do have a limit." BRYANT: "25,000 is the limit isn't it?" 336 TALBOTT: Explains what the limits are. 340 CHAIR KERANS: Explains that there is also a formula that goes by population. 344 TALBOTT: "You're talking about the national party as opposed to?" 345CHAIR KERANS: "That's the DNC limitation."

346 TALBOTT: Explains that there is a national party and a national senatorial campaign committee limitation.

347 CHAIR KERANS: Asks Sen. Springer what he thinks about a Jimitation. "Primary or general or both?" . ~ 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. Senate Ethics, Elections, and Campaign Finance Committee April 1, 1993 - Page 7

356 TALBOTT: Discusses that most of the "other" limitations are based on a single election.

360 SEN. SPRINGER: "Let's make it \$25,000 a year." 361 CHAIR KERANS: Asks if there is anyone who has a problem with that amount.

362 TALBOTT: "Per candidate or that particular chamber?"

364 SEN. SPRINGER: "Would that caucus campaign committee be permitted to make direct payments to vendors?"

368 CHAIR KERANS: "As in-kind contributions?" 369 SEN. SPRINGER: "Let's say you send a check to the postmaster for \$5,000 from the caucus." 371 SEN. BRYANT: Comments it would be easier to trace payments through the candidates. 383 TALBOTT: Comments that it would depend on how contribution is defined.

393 TODD JONES, Assistant to the Secretary of State: Discusses the issue of contributions to a caucus. Comments that there is no limit on how much a person could give to a caucus in SB 143.

403 CHAIR KERANS: Discusses the committee's intent to set a limit. "It was implicit in what we talked about in contribution limits to political committees..."

414 JONES: Discusses exemptions provided in SB 143 page 5, line 40. 4.3.3 CHAIR KERANS: Comments that the committee has gone a "different direction" and is "setting limits where ever we can." 442 TALBOTT: Explains what Mr. Jones was talking about. Explains that SB 143 allows a person to "give any amount of money to a political party caucus political committee." 452 JONES: Comments that he understands the committee's intent. Discusses that SB 143 did not contain some of the provisions that the committee was considering and wanted to point them out if the committee was considering SB 143 as a model. 459 SEN. DUKES: "This also exempts principal campaign committees which I don't think we wanted to do." 461 CHAIR KERANS: Discusses the first question on EXHIBIT C in regards to labor organizations and corporations being prohibited from making direct contributions. (EXHIBIT C)

485 SEN. BRYANT: Discusses, with Chair Kerans, what the this proposal would do.

TAPE 34, SIDE B 041 TALBOTT: Discusses on the definition of contribution, which is found in Section 33 of SB 416. Discusses Legislative Counsel's suggestion to delete the word "unrepaid" in regards to loans.

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(EXHIBIT C, page 2) 057 CHAIR KERANS: Asks what the difference is between an unrepaid loan and forgiving of indebtedness. Asks what is done in practice and discusses an example. Asks when a loan become unrepaid and then considered a contribution. 066SEN. BRYANT: Comments that this is seen most frequently in federal campaigns. CHAIR KERANS: "I think a loan is a loan and not a contribution. 070 This is a convoluted sentence which is existing law. The fact of the matter is that the payment for services... is a contribution..." SEN. DUKES: "Why would you feel any less indebted to someone who 079 had loaned you \$5,000, when you needed it and were short, then you did to anyone who had given you \$5,000? It seems to me that a loan is a contribution." 083 TALBOTT: Explains how the federal law has addressed loans. Addresses the subject of bank loans. (EXHIBIT C) SEN. BRYANT: Comments that he agrees with Ms. Talbott's comments. 095 CHAIR KERANS: Discusses the definition of contribution with 096 "loans" included.

109 SEN. DUKES: "What would then become the purpose of allowing loans?"

110 CHAIR KERANS: Responds to Sen. Dukes statement.

126 SEN. BRYANT: Explains that a loan may also be needed when a person is starting out the campaign out.

130 CHAIR KERANS: Continues the discussion on loans. "A loan is a contribution...except by the verbiage which staff has given us under item 3." (EXHIBIT C)

155 JONES: "If I understand the intent correctly, it's to allow candidates to get bank loans without those loans being subject to the contribution limits. Is that correct?"

158 TALBOTT: "Because they would have to be repaid back like a regular arms length transaction." Asks how the term unrepaid loan as a contribution is looked at now. Asks how they know when it becomes unrepaid.

164 TAMI DETTWYLER, Elections Division: Comments that currently there are no contribution limits. Explains that a loan becomes a contribution if it is forgiven. Discusses the committee's intent by deleting the word "unrepaid." 179 CHAIR KERANS: Asks if there would be any technical problems with doing it that way.

DETTWYLER: " No. "

180 CHAIR KERANS: Asks what the difference is between unrepaid loans

and forgiving of indebtedness with regard to current law.

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DETTWYLER: "The loan is unrepaid until it is paid back. At the time I am loaning your campaign money, I am contributing the money. When it gets paid back by the campaign it's no longer a contribution." 193 CHAIR KERANS: Discusses forgiveness of indebtedness.

195 TALBOTT: Comments that a "regular arms length transaction bank loan" would not be considered a contribution under the proposed amendment.

199 CHAIR KERANS: Discusses the issue of loans in regards to partial public financing and voluntary expenditure limits. Comments that a person could not take out a loan for "two million" if that person agreed to limit spending to "\$1.5 million."

209 TALBOTT: "Under the definition of expenditure, again."

214 CHAIR KERANS: Discusses the proposals for the definition of contribution on the decision making memo. Comments he would say yes to excluding (A). Comments that he does not believe that (use of personal residence...) to be a contribution. (EXHIBIT C)

222 TALBOTT: Comments that this language is from the judges bill which is "based in large part on the federal act. " (EXHIBIT C)

230 CHAIR KERANS: Discusses (A), (B), and (C) and comments that he would say yes to excluding those from the definition of contribution. Discusses narrowing the definition of "political committee." (EXHIBIT C)

TALBOTT: Comments on the reason for narrowing the definition of "political commiKee." (EXHIBIT C) 261 CHAIR KERANS: Comments that it "makes a lot more sense" to narrow the definition so that it does not include "all those people who might have an incidental purpose." 266 SEN. DUKES: "What's a person other than an individual?" CHAIR KERANS: "Corporation?" 267 TALBOTT: "Correct. " Explains the definition of "person." 273 CHAIR KERANS: Asks the committee if there is any objection to the narrowed definition. "Hearing no objection, the answer is yes (to accept the narrowed definition)." Moves on to the subject of voluntary expenditure limits. (EXHIBIT C) 280TALBOTT: Refers the committee to the matrix. (EXHIBIT D)

287 SEN. DUKES: "Did we just take inas long as it's truly independent and only one?"

TALBOTT: "Correct. "

291 SEN. DUKES: "If two of us decide that we want to put some money into Sen. Bryant's campaign, completely oblivious of him, we are going to run adds in the newspapers in his district, then we are a political committee?" . These minutes contain materials which paraphrase and/of 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. Senate Ethics, Elections, and Campaign Finance Committee April 1,1993 - Page 10

CHAIR KERANS: "That's correct."

295 SEN. DUKES: "If I decide and you decide without talking to each other?"

CHAIR KERANS: "Then that's permitted."

305 TALBOTT: "The independent expenditures provision on page 15 of the bill deals with an expenditure by a person...in that sense it can be any entity who is independent from the candidate, expending money."

312 CHAIR KERANS: Discusses independent expenditures by a person. Asks what "person" means.

315 TALBOTT: "Person means an individual or corporation, association, firm, partnership,...so they can also make independent expenditures of any amount. They are not limited. They arguably couldn't be under the constitution. "

322 CHAIR KERANS: Discusses that limits to "how much political voice" a person has in the "marketplace" if that person is acting on "own motion. " Comments that the Supreme Court is "pretty clear on that matter. "

327 SEN. DUKES: "This is all voluntary anyway."

TALBOTT: "The expenditure limits are voluntary. Correct."

329 CHAIR KERANS: "Contribution limits are in statute. We can't limit the..."

TALBOTT: " Quantity. "

SEN. DUKES: "That becomes an expenditure limit then?"

SEN. BRYANT: "There are only voluntary limits. You can't make them mandatory."

CHAIR KERANS: Discusses the voluntary expenditure limitations. 338 Discusses whether or not the amounts are acceptable. (EXHIBITS C and D) SEN. SPRINGER: Responds by saying "yes" the limits are acceptable. CHAIR KERANS: "I would take the bill as printed then, unless 373 there is objection." Hearing no objections the voluntary expenditure limits in Section 6 are accepted. Begins the discussion of an inflation factor. 380 SEN. BRYANT: Discusses that the standard inflation factor for campaign expenditures are ahead of the CPI. 390 TALBOTT: Discusses that section 17, page 7, line 11, "provides that both the contribution limitations and the expenditure limitations will be raised based on inflation using the Portland CPI for urban consumers." 400 CHAIR KERANS: Asks if the committee thinks that is reasonable. "Hearing no objection, we'll use the CPI as the inflator." Discusses what should be excluded from the definition of expenditure. (EXHIBIT C) 428 TALBOTT: Comments that this is modeled on SB 213, which is modeled on the Federal Election Campaign Act. Discusses the freedom of the press issue. ~., . - 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. -Senate Ethics, Elections, and Campaign Finance Committee April 1, 1993 -

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436 CHAIR KERANS: "I'd take everything under 'Should the definition of "Expenditure" exclude' I would take A through D." Discusses the reasoning for the exclusions. (EXHIBIT C)

467 SEN. DUKES: "Does thins mean that your accountant can still volunteer to do your C & E report?" 469 CHAIR KERANS: Remarks that it could be done as an in-kind contribution.

470 TALBOTT: Comments that there is another expenditure exclusion.

476 CHAIR KERANS: Read the additional exclusion "the payment by state or local committee of a political party of the costs of preparation, display, or mailing, or other distribution incurred by such commiKee with respect to printed slate card or sample ballot or other printed listing of three or more candidates for any public of fice for which election is held in the state, in which such commiKee is organized, except that this clause shall not apply to the cost incurred by such committee with respect to display of any such listing made on broadcasting stations or in newspapers, magazines, or similar types of general public political advertisements."

TAPE 35, SIDE B

033 SEN. DUKES: "Originally, that is what I thought (C) was going to." (EXHIBIT C)

035 TALBOTT: Explains the reasoning of the exclusion found in (C). (EXHIBIT C)

049 SEN. DUKES: "This basically says that if corporation or union would mail to their membership a letter saying the Sen. Bryant is their choice...and you should vote for him?"

053 CHAIR KERANS: "That's correct

TALBOTT: Explains the differences between ( 3) and (C) for 060 exclusions from expenditure limits. Provides examples of what types of organizations (C) would include. (EXHIBIT C) 072 SEN. DUKES: Asks if that applies to Fred Meyerand comments on the Ms. TalboK's statement in regards to "like minded people." 074 TALBOTT: "Sure because they are a corporation and this language would allow that to occur. Because it is their membership." 078 CHAIR KERANS: "I wanted to include this on central committees, state committees, and slate cards and sample ballots." 085 COLLEEN SEALOCK, Director, Elections Division: Discusses the slate card issue. Comments that "some private enterprises or private businesses that are puking together slates of candidates, using the term slate card." 094 CHAIR KERANS: "Those are private for profit contractors. Yes, that's not included here." 095 SEALOCK: Continues the discussion in regards to slate card language and what slate cards actually are. 102 CHAIR KERANS: "It's in relationship to the payment by a state or local committee of a political party." - 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. - Senate Ethics, Elections, and Campaign Finance Committee April 1,1993 - Page 12

SEALOCK: "That would be fine." 104 CHAIR KERANS: Discusses the 103

technical question in regards to filing new statements of organization on the boKom of page 2. Explains why filing a new statement of organization would be necessary. (EXHIBIT C) 135SEN. DUKES: "Why not just go with the date the contribution is received, the date that the expenditure is made? It's very clear for anyone who is going through your C&E to look and say the cut off was for such and such you received this contribution or made this expenditure after that; therefore, it has fallen into the general and not the primary?" 139 CHAIR KERANS: "You're going to be allowed to do that. This is post general election."

TALBOTT: "For the next primary, so you go through a whole cycle."

142 CHAIR KERANS: "This is post general election. You make your post election report in December." 143 SEN. DUKES: "Assuming you don't have to come to zero. Assuming you are going to be able to carry that over anyway why go through the whole new statement of organization." 147 TALBOTT: Explains that it ties in with other aspects of the bill that the committee will talk about at a later time. 177 CHAIR KERANS: Adjourns meeting at 4:50 p.m.

Submitted by: , Reviewed by: Tamara Brickman Annette Talbott Assistant Counsel

EXHIBIT LOG

A - Overview of the Federal Election Campaign Act (FECA) - CommiKee Staff - 2 pages B - Proposed Amendments to SB 416 - Department of Revenue - 1 page C - Decision Making Points on Campaign Finance Memo -Committee Staff - 5 pages D - Campaign Finance Reform Matrix - CommiKee Staff - 2 pages

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