

# Frequently Asked Questions: Campaign Finance in City Elections

On April 14, 2020 the City of McMinnville passed a campaign finance disclosure ordinance relating to the election of City of McMinnville candidates (Mayor and City Councilors). Ordinance No. 5096, passed August 11, 2020, supersedes Ordinance No. 5092.

## General Questions

**1. Are there contribution limits under McMinnville's ordinance?**

No, donor contribution amounts or are not limited, nor is the frequency of campaign contributions.

**2. What kinds of campaigns are subject to McMinnville's campaign finance disclosure ordinance?**

Candidates running for mayor or city council. Ballot measures, whether qualified by initiative, referendum, or Council-referral, are not subject to disclosure requirements.

**3. What state campaign registration requirement is in McMinnville's ordinance?**

If an entity in support of or in opposition to a candidate spends a total of \$750 independent expenditures in any election cycle, it must register as a Political Committee under Oregon law with the Oregon Secretary of State within three business days.

**4. When does the ordinance go into effect?**

The ordinance went into effect 30 days after passage on April 14, 2020. As a practical matter, the November 3, 2020, election cycle is the first subject to the local campaign finance regulations.

**5. Do I have to make disclosures on election materials?**

Yes. For more details see questions regarding Campaign Communication Disclosure.

**6. Are candidates required to file campaign financial information with the City?**

No. The ordinance is for public campaign contribution disclosures on candidate materials and does not create a campaign finance filing requirement at the local level.

**7. I saw an advertisement for the governor's election, but the candidate did not disclose the sources that funded the campaign. Will the City investigate?**

No. The ordinance governs City elections races only. Candidates running for mayor or city council in McMinnville are subject to the regulations of Ordinance 5096. Other elections, such as gubernatorial races, congressional races, presidential races and ballot measures are not subject to the disclosure requirements.

**8. I saw an advertisement from a candidate for mayor, but the ad did not list any campaign funders. How should I report this potential violation?**

If you believe a candidate is not complying with the campaign disclosure requirements established in Ordinance 5096, fill out the [complaint form on the City website](#) with information such as subject of complaint, evidence of the violation, and any evidence you may have. If the inquiry is a valid complaint, the Finance Director will launch an investigation according to the regulations requirements and follow-up for more information if necessary.

### **9. Can people submit complaints anonymously?**

Complaints cannot be accepted completely anonymously. However, if you want your information to be confidential, please indicate so in your complaint. The Finance Director will keep information confidential to the greatest extent of the law. However, some provisions of Oregon public records may require disclosure of complainant information in some cases.

### **10. How is this different than other campaign finance regulations that currently exist?**

Candidates for City elections must adhere to both state and City campaign finance regulations. Oregon's Secretary of State is responsible for enforcing statewide campaign regulations, which are primarily disclosure based in ORESTAR.

To view state campaign and election laws, search the public database of campaign finance disclosures statewide, and to view campaign manuals for state laws, please see the links below.

Searchable campaign finance transaction database:

<https://secure.sos.state.or.us/orestar/gotoPublicTransactionSearch.do>

State Election Laws: <https://sos.oregon.gov/elections/Pages/laws-rules.aspx>

State Campaign Manuals: <https://sos.oregon.gov/elections/Pages/manuals-tutorials.aspx>

The campaign disclosure regulations are additional campaign regulations that only apply to candidates running for City offices.

### **11. Who oversees and enforces these regulations?**

The City's Finance Director oversees and enforces these regulations. The Finance Director responds to and makes public complaints and decisions regarding alleged violations.

### **12. How does Ordinance 5096 differ from the original ordinance – what changed?**

The single change removes the requirement of applying civil fines in all cases to allow for a letter of warning in place of a civil fine for first violations under certain conditions.

## **Questions Regarding Required Campaign Communication Disclosures**

### **13. I'm running for office, what exactly do I need to disclose on my campaign communications?**

The Finance Director has created [guidance on these requirements in a one-page flyer](#).

For all City of McMinnville candidate campaign communications, with some limited exceptions, the following must be disclosed:

- The political committee, candidate committee, or entity (business, organization, corporation, etc.) that paid to provide or present the voter communication should be listed as specifically required, depending on the type of communication.
- For each of the five Dominant Contributors providing the largest amounts of funding to each of the above:
  - a. The name of the Individual or Entity providing the Contribution.
  - b. The types of businesses from which the maker of the Contribution has obtained a majority of income over the previous 5 years, with each business identified by the

name associated with its 6-digit code of the North American Industry Classification System (NAICS).

Note that if any of the entities in **a.** above are political committees or non-profit organizations, their top 3 funders during the elections cycle must be disclosed (other than a Small Donor Committee).

**14. Which type of items are considered exempt from requiring these disclosures?**

The following items are exempt from campaign disclosure regulations:

- Bumper stickers
- Campaign signs smaller than 6 square feet
- Small items worn by individuals, such as buttons or stickers
- Fliers or other pieces of literature distributed to fewer than 500 people within a 10 business day period

**15. I have campaign social media accounts. Do I need to list my funding sources on every individual post?**

Funding sources should be listed in a static, easily available biography or profile section of social media accounts used for campaign communications. Disclosures are not required in the text portion of every communication, such as in every text-based Tweet. However, if you publish a professionally-produced communication (such as a video advertisement, audio, or photo) via social media you should list the funding sources for that professionally-produced communication as otherwise required.

**16. I want to make a radio advertisement for my campaign and all my contributors gave me less than \$1,000. Do I need to include the contributors who funded my campaign?**

Ordinance 5096 requires candidates to list all political committees and entities that have paid to fund a candidate's campaign communication. Even if no contributor expended \$1,000 or more for the communication, you must still list any political committee or entity that has contributed funds used to create or promote the communication. For example, "Paid for by the Committee to elect Angela Gonzalez" may be required regardless of Dominant Contributors providing over \$1,000 in candidate elections.

**17. My political committee funded a campaign communication with general pooled funds received from various sources. What is the disclosure requirement on these types of communications?**

In a situation where there is no particular tie to a funder and a campaign communication, the political committee should list its top Dominant Contributors as outlined in the regulations as follows:

1. Political committees or other entities paying to provide or present the communication (this is the overarching committee(s) or entity(ies) that are funding the communication)
2. Each of the above's top 5 Dominant Contributors – name and income background.

**18. I am wondering if my campaign communication will comply with the city's disclosure regulations. Will your office review my ad before it's distributed?**

The Finance Director can provide general information and interpretation of requirements and will not review campaign communications materials for compliance. For specific legal advice or formal

opinions, all candidates and campaigns are individually responsible for compliance and should seek outside legal advice.

**19. How often should I update my required disclosure information? What about on my campaign's website and social media accounts?**

Campaign communication disclosures must be kept up to date as required depending on the type of communication and the format. It is recommended that disclosures be dated to ensure timely disclosure. Printed material has a 10 business day disclosure requirement and video or audio communication has a 5 day disclosure requirement.

**20. What are penalties for campaigns found to be in violation of these requirements?**

Each violation of any provision shall be punishable by imposition of a civil fine not more than 20 times the amount of the unlawful expenditure or independent expenditure.

In determining the amount due as a civil penalty, the Finance Director will consider the following factors:

- The overall budget and resources available to the campaign or entity;
- The number of previous violations within the same election cycle;
- Whether the violation was repeated and continuous, or isolated and temporary (the Finance Director may choose to treat repeated, similar actions occurring during the same election cycle, which would otherwise be considered distinct violations, as aggravating circumstances under a single violation);
- Whether the violation appears to be willful;
- The campaign or entity's level of cooperation during the investigation, including providing relevant and timely information as requested;
- The amount of penalties, if any, previously imposed under similar circumstances;
- The size of the intended audience and the costs associated with producing and/or managing the communication; and
- Any other applicable factors the Finance Director deems relevant.

If the Finance Director finds reasons to believe the subjects of the complaint put forth a good faith effort to comply with the ordinance, the Finance Director may, upon first offense, issue a warning letter.

**21. I am not affiliated with a campaign. However, I want to produce communication pieces supporting my preferred candidate and opposing other candidates. Do I need to comply with the regulations in Ordinance 5096?**

Yes. The ordinance says "Each Communication to voters related to a City of McMinnville Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication." For Independent Expenditures providing a campaign communication in City candidate elections:

For each of the largest five Dominant Independent Spenders paying to provide or present it, the communication must disclose:

- a. The name of the Individual or Entity providing the Independent Expenditure.

- b. The types of businesses from which the maker of the Independent Expenditure has obtained a majority of income over the previous 5 years, with each business identified by the name associated with its 6-digit code of the NAICS.

Any person or entity expending funds to produce communication related to a City of McMinnville candidate election must comply with the regulations set forth in Ordinance 5096.

**22. I do not pay to use my social media accounts. Why do I need to disclose sources on these forms of communication?**

The ordinance states that “Each Communication to voters related to a City of McMinnville Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication.” While you may not always directly pay social media companies to use their platforms, campaigns can still expend funds to maintain their social media accounts, such as paying campaign staff to maintain their accounts.

**23. My campaign sends regular text messages to subscribers. Am I required to include campaign contribution disclosures on these text messages?**

Yes. The ordinance requires each communication to voters related to a City of McMinnville Candidate Election to include the required disclosure information. In general, the only exemption from disclosures are

- Bumper stickers
- Campaign signs smaller than 6 square feet
- Small items worn by individuals, such as buttons or stickers
- Fliers or other pieces of literature distributed to fewer than 500 people within a 10 business day period

**24. I don’t want to pay for a color in print media. Can I use black and white reverse type to meet the prominent disclosure requirement?**

Yes. The ordinance requires “prominent disclosure” that is “readily comprehensible.” It goes on to read “any printed disclosure appearing in a type of contrasting color and in the same or larger font size as used for the majority of text in the printed material.” Contrasting colors is defined to include black and reverse white type, but not shades of grey scale. Examples of permitted contrasting color in black and white: Hello Goodbye Hello Goodbye

**25. I have campaign materials from a previous campaign created and paid for prior to the establishment of McMinnville’s campaign finance ordinance. Can I still use those materials?**

Yes, though clarifying information may need to be added. Materials that are exempt from disclosure (see FAQ #14) will not need updated disclosure or clarification. For those campaign materials that would require disclosures had they been created and paid for since the ordinance went into effect on 5/15/2020, a clarifying disclosure statement should be added to them. Because the materials were created prior to the ordinance, the campaign or candidate does not need to detail the original source of the funds used to produce the material.

Examples of clarifying statements include “paid for prior to 5/15/2020” or “produced prior to McMinnville campaign finance ordinance.” The ordinance’s requirement that “prominent disclosure” is “readily comprehensible” applies to clarifying statements.