



December 8, 2022

Portland Accountability PAC
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Notice of Determination
Written Warning and Education
Campaign Regulation Complaint No. 2022-07-PAP

Dear Portland Accountability PAC:

The Auditor's Office received Complaint No. 2022-07-PAP on November 18, 2022, which alleged political committee Portland Accountability PAC did not disclose required dominant contributor funding information on a mailer sent to Portland voters. The complaint alleged violations of [Portland City Charter Section 3-303](#) and corresponding [Portland City Code Section 2.10.030](#).

The Auditor's Office has found that five violations of campaign finance regulations occurred and is therefore issuing this letter of warning and education.

Investigation and Findings

The Auditor's Office sent Notice of Complaint No. 2022-07-PAP to political committee Portland Accountability PAC on November 22, 2022. The period for Portland Accountability PAC to submit a response and supplemental information ended on December 1, 2022. The City Elections Office conducted an investigation of this complaint, and the findings of fact are as follows:

Disclosure on Large Postcard Mailer

Upon review of the mailer in question, the Elections Office found that the following was disclosed:

1. The mailer states that it was "paid for by Portland Accountability PAC (22544)."
2. That Portland Accountability PAC "seeks to help elect credible, accountable leaders to help move the Portland area forward."
3. And that "the top contributors are:



- a. John Von Schlegell;
- b. Bruce Burns;
- c. Warren Rosenfeld;
- d. Jacob Silverstein;
- e. Mitchell Menashe.

Portland City Charter Section 3-303 and corresponding City Code 2.10.030 states the following:

- A. Each Communication to voters related to a City of Portland Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication, including:
 1. The names of any Political Committees and other Entities that have paid to provide or present it; and
 2. For each of the five Dominant Contributors providing the largest amounts of funding to each such Political Committee or Entity in the current Election Cycle:
 - 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).
 3. For each of the largest five Dominant Independent Spenders paying to provide or present it:
 - 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.
- B. If any of the five largest Dominant Contributors or Dominant Independent Spenders is a Political Committee (other than a Small Donor Committee) or nonprofit organization, the prominent disclosure shall include its top three funders during the current Election Cycle.
- C. The disclosure shall be current to within 10 business days of the printing of printed material or within 5 business days of the transmitting of a video or audio communication.

Upon review of the mailer's disclosure and the associated Charter and Code as cited above, the Elections Office finds that the name of the Political Committee and the name of each of the five dominate contributors are sufficiently disclosed. While true, the Office also finds that the required type of business from which each of the five dominant contributors has obtained a majority of income over the previous 5 years is not listed. The Elections Office therefore finds the mailer communication to voters did not include the necessary disclosure as required by City Charter Section 3-303 and corresponding City Code 2.10.030.

Conclusion and Outcome

The Auditor's Office finds that the evidence substantiated five violations of City Charter Section 3-303 and corresponding City Code Section 2.10.030 and therefore issues this letter warning and education.

Education

The City Auditor's Office administers and enforces [City Charter Chapter 3, Article 3](#) and [City Code Chapter 2.10](#) ("City campaign finance regulations"), which were passed by voters in November 2018. The regulations require certain campaign contributors and their respective sources of income to be prominently listed on campaign communications, including any printed communication. See [City Code Sections 2.10.030](#) and [2.10.080 O.1](#).

City campaign finance regulations require:

- "Each Communication to voters related to a City of Portland Candidate Election shall Prominently Disclose the true original sources of the Contributions and/or Independent Expenditures used to fund the Communication...." [City Code Section 2.10.030 A](#).
- "'Contribution' has the meaning set forth at ORS 260.005(3) and 260.007," with certain exceptions not relevant here. City Code [Section 2.10.080E](#). [ORS 260.005\(3\)](#) defines "contribution" as:
 - (a) The payment, loan, gift, forgiving of indebtedness, or furnishing without equivalent compensation or consideration, of money, services other than personal services for which no compensation is asked or given, supplies, equipment or any other thing of value:
 - a. For the purpose of influencing an election for public office or an election on a measure, or of reducing the debt of a candidate for nomination or election to public office or the debt of a political committee; or
 - b. To or on behalf of a candidate, political committee or measure; and
 - (b) The excess value of a contribution made for compensation or consideration of less than equivalent value.¹
- "'Communication' means any written, printed, digital, electronic or broadcast communications[.]" [City Code Section 2.10.080 D](#).
- [City Code Section 2.10.030A](#) further provides that each communication to voters shall have:
 1. The names of any Political Committees or other Entities that have paid to provide or present it; and
 2. For each of the five Dominant Contributors providing the largest amounts of funding to each such Political Committee or Entity in the current Election Cycle:
 - (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

¹ Exclusions from the definition of "contribution" can be found at [ORS 260.007](#).

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

- "'Dominant Contributor' means any Individual or Entity which contributes more than \$1,000 during an Election Cycle to a Candidate Committee or Political Committee." [City Code Section 2.10.080F](#).
- "'Individual' means a citizen or resident alien of the United States entitled to vote in federal elections; however, when this Chapter expresses a limitation or prohibition, 'Individual' means any human being." [City Code Section 2.10.080L](#).
- "'Entity' means any corporation, partnership, limited liability company, proprietorship, Candidate Committee, Political Committee, or other form of organization which creates an entity which is legally separate from an Individual." [City Code Section 2.10.080I](#).
- Thus, when a Political Committee or other Entity pays to present or provide a printed communication sent to voters, the communication must prominently disclose:
 1. The name of the Political Committee and any other Entity that paid to provide or present it; and
 2. The names of each such Political Committee or Entity's top five Dominant Contributors; and
 3. For each top five Dominant Contributors, whether that contributor is an Individual or an Entity, the type of business from which the contributor obtained a majority of income over the past five years; and
 4. Each business must be identified with the name associated with its 6-digit code of the North American Classification System (not merely the code).

Additional Authority and Appeals

This Notice of Determination is issued pursuant to the Auditor's authority under City Code Section 2.10.050. That section sets forth the process for implementation and enforcement of the provisions of City Code Chapter 2.10, including the recipient's appeal rights.

The recipient may request a reconsideration of this decision at any time before the decision becomes final, as provided in the Auditor's Administrative Rule [ARA 13.03\(D\)\(5\)](#).

This Notice of Determination becomes final within 30 calendar days from its issuance unless an appeal of this determination is filed. An appeal may be filed with the Multnomah County Circuit Court within 30 days of the issuance of a decision, as described in [City Code Section 2.10.050 I](#), and Auditor's Administrative Rule [ARA 13.02\(D\)\(6\)](#).

Sincerely,



Becky Lamboley
Interim City Elections Officer