

Honest Elections and Clean Governance Charter Amendment

Initiative Petition To The People Of Multnomah County

We, the undersigned voters of Multnomah County, Oregon, respectfully direct that this proposed Honest Elections and Clean Governance Amendment to the Multnomah County Home Rule Charter (a full, true and correct copy which is printed on the reverse side hereof) be submitted to the electors of Multnomah County for their approval or rejection at the general election scheduled for November 8, 2016.

Title: "Honest Elections and Clean Governance Charter Amendment"

An Amendment to the Multnomah County Home Rule Charter:

To reduce the influence of large campaign contributions and expenditures on candidate elections and to increase information available to voters on the sources and amounts of such contributions and expenditures.

To provide a system of funding candidate elections that reduces dependence upon large contributions and expenditures.

To require that government officers are disqualified from taking official actions that confer special pecuniary benefits on large campaign contributors or independent spenders on election campaigns.

NOW, THEREFORE, THE PEOPLE OF MULTNOMAH COUNTY HEREBY ORDAIN:

Whereas, the Oregon State Constitution declares that "We declare that all men, when they form a social compact are equal in right: that all power is inherent in the people, and all free governments are founded on their authority, and instituted for their peace, safety, and happiness; and they have at all times a right to alter, reform, or abolish the government in such manner as they may think proper"; and

Whereas, The people of Multnomah County have the right to honest and fair elections, which shall include the right to an electoral process free from the influence of large political contributions and expenditures and from the treatment of money as speech for elections purposes; and

Whereas, The purpose of this Amendment is to establish the right of Multnomah County voters to honest elections and clean local governments by: (1) limiting large political contributions and expenditures, (2) limiting corporate involvement in election campaigns, and (3) prohibiting officials from taking actions that confer special pecuniary benefits on large campaign contributors or independent spenders on election campaigns; and

Whereas, All residents of this County possess the fundamental and unalienable right to a form of governance where they live which recognizes that all power is inherent in the people, that all free governments are founded on the people's authority and consent, and that corporate entities and their directors and managers shall not enjoy special privileges or powers under the law which make community majorities subordinate to them; and

Whereas, this Amendment shall be known and may be cited as the "Honest Elections and Clean Governance Amendment"; and

Whereas, this Amendment is enacted pursuant to the inherent right of the voters of this County to govern their own community, including, without limitation: (1) the Declaration of Independence's declaration that governments are instituted to secure the rights of people, and (2) recognition within the

Oregon Constitution that all power is inherent in the people and that county governments may exercise home rule pursuant to Article VII, section 10.

The People of Multnomah County therefore adopt the following Amendment to the Multnomah County Home Rule Charter:

A new Section 11.60 to Chapter XI of the Multnomah County Home Rule Charter, shall read as follows:

(1) Definitions.

For purposes of this Amendment, unless otherwise indicated by the text or context of this Amendment, all terms shall have the definitions at Chapter 260 of Oregon Revised Statutes, as of January 1, 2015.

- (a) "Candidate" means a Candidate in a Multnomah County Candidate Election.
- (b) "Communication" means any written, printed, digital, electronic or broadcast communications but does not include communication by means of:
 - (A) Small items worn or carried by Individuals, such as buttons, pins, stickers, bracelets, and pens;
 - (B) Bumper stickers smaller than 60 square inches;
 - (C) Signs smaller than 6 square feet; or
 - (D) A distribution of two hundred (200) or fewer substantially similar pieces of literature within any 10-day period.
- (c) "Contribution" has the meaning set forth at ORS 260.005(3) and 260.007, as of January 1, 2015, except it does not include funds provided to candidate committees or Small Donor Committees by entities of government pursuant to systems of public funding.
- (d) "Coordinated Expenditure" has the meaning set forth at ORS 260.005 (10)(d), as of January 1, 2015.
- (e) "Coordinated Entity" means an Entity making a Coordinated Expenditure.
- (f) "Dominant Contributor" means any Individual or Entity, other than a Small Donor Committee, which contributes more than five hundred dollars (\$500) during an Election Period to a candidate committee, Political Committee (other than a Small Donor Committee), Political Party, or Independent Expenditure campaign.
- (g) "Dominant Independent Spender" means any Individual or Entity which expends more than five hundred dollars (\$500) during an Election Period to support or oppose a particular Candidate.
- (h) "Election Period" means:
 - (A) The period beginning the day after a biennial general election and ending at midnight of the day of the next biennial primary election; and
 - (B) The period beginning the day after a biennial primary election and ending at midnight of the day of the next biennial general election.
 - (C) For any recall election, the period beginning the day that the recall election is called or declared and ending at midnight of the day of the recall election.

- (D) For any special election called to fill a vacancy, the period beginning the day that the special election is called or declared and ending at midnight of the day of the election.
- (i) "Entity" means any corporation, partnership, limited liability company, proprietorship, or other form of organization which creates an entity which is legally separate from an Individual.
- (j) "Expenditure" has the meaning set forth at ORS 260.005(8) and 260.007, as of January 1, 2015, except that it does not include:
 - (A) Production of an officeholder scorecard or Candidate survey and its distribution by paper or electronic copies (but not by paid advertising on television or radio) at a cost of less than ten thousand dollars (\$10,000) for distribution to the public.
 - (B) Any bona fide news story, commentary or editorial distributed through the facilities of any media organization, including any television or radio station, newspaper, magazine or other regularly published periodical; provided, that the media organization:
 - (i) Is not paid by any Individual or Entity for distributing it, apart from normal advertisers;
 - (ii) Is not owned or controlled by one or more Candidates, Political Committees, or Political Parties mentioned in it; and
 - (iii) Does not distribute it to voters by unsolicited mailings or other means of distribution not sought by the recipient, including any paid advertisement about it in any other medium.
 - (C) Communication to its members, and not to the public, by a Membership Organization not organized primarily for the purpose of influencing the outcome of contests, including communication of an officeholder scorecard or candidate survey.
- (k) "Independent Expenditure" means an Expenditure to influence the outcome of a Candidate election that is not made by that Candidate's committee and is not a "Coordinated Expenditure" as defined in this section.
- (l) "Independent Spender" means any Individual or Entity that makes an Independent Expenditure.
- (m) "Individual" means a citizen or resident alien of the United States entitled to vote in federal elections; however, when this Amendment expresses a limitation or prohibition, "Individual" means any human being.
- (n) "Involved in Multnomah County Candidate Elections" means that the Individual, Entity, or group has expended money to support or oppose one or more Candidates in a Multnomah County Candidate Election since the most recent biennial general election.
- (o) "Membership Organization" means an incorporated or unincorporated nonprofit organization:
 - (A) With individual members who have taken action to join the organization and have made a payment of money or volunteer time to maintain membership in the organization; and
 - (B) Is not formed or operated as, or for the purpose of, commercial enterprise.

- (C) A Membership Organization can transfer to one and only one small donor committee not more than forty percent (40%) of the dues paid by each individual member of the organization, with a limit of one hundred dollars (\$100) transferred per individual member per calendar year.
- (D) A Membership Organization shall within fifteen (15) days of such transfer notify each dues-paying member of the amount or percentage of dues transferred. Such notice may be provided by regular mail or electronic mail to each affected member or by posting the information on a website. If the amount or percentage of dues transferred is the same for each member or category of members, the posting may state that amount or percentage and need not identify any member.
- (p) "Multnomah County Candidate Election" means an election, including a primary election, conducted in whole or in part by Multnomah County to select (or recall) a person to serve (or cease serving) in public office, other than statewide or federal public office or seat in the Oregon Legislature.
- (q) "Multnomah County Internal Candidate Election" means an election, including a primary election, to select persons to serve (or cease serving) in public offices of Multnomah County.
- (r) "Political Committee" shall have the definition at ORS 260.005, except:
 - (A) It includes only committees which support or oppose one or more Candidates for public office.
 - (B) The following shall be treated as a single Political Committee: All Political Committees established, financed, maintained, or controlled by:
 - (i) For corporations: the same corporation (including all corporate affiliates and subsidiaries) or substantially the same group of corporations;
 - (ii) For unions: the same labor organization unit, at any level, if the unit has authority to make an independent decision as to which Candidates to support or oppose; or
 - (iii) For others, substantially the same group of Individuals or Entities or combinations thereof.
- (s) "Political Party" means an Entity which qualifies as an Oregon major Political Party or minor Political Party under ORS Chapter 248.
- (t) "Political Party Finance Committee" means a political committee maintained by Political Party or subdivision thereof.
- (u) "Prominently Disclose" means that the Communication states information which is:
 - (A) Current to within ten (10) days of the printing of printed material or within five (5) days of the transmitting of a video or audio Communication;
 - (B) Comprehensible to a person with average reading, vision, and hearing abilities;
 - (C) Printed on the first page or fold of the printed Communication in type not smaller than 10 points;
 - (D) Printed on the sign or billboard in type not smaller than 10% of the largest size type used in the Communication;

- (E) If presented by video, readable on the regular screen (not closed captioning) for not less than 10 seconds in letters greater than 10 percent of the visual screen height with reasonable color contrast with the background;
- (F) If presented by audio, spoken to be clearly audible and understood at a maximum rate of five words per second and otherwise appropriately conveyed for the hearing impaired.
- (v) "Relative" has the meaning set forth at ORS 244.020(15), as of January 1, 2015, except that it shall include all persons within the third degree of consanguinity to the Candidate or public official.
- (w) "Small Donor Committee" means a Political Committee:
 - (A) Established to accept only Contributions from Individuals; and
 - (B) Which cannot accept such Contributions in amounts exceeding one hundred dollars (\$100) per Individual per calendar year.
 - (C) The following shall be treated as a single Small Donor Committee: All Small Donor Committees established, financed, maintained, or controlled by:
 - (i) For corporations: the same corporation (including all corporate affiliates and subsidiaries) or substantially the same group of corporations;
 - (ii) For unions: the same labor organization unit, at any level, if the unit has authority to make an independent decision as to which Candidates to support or oppose; or
 - (iii) For others, substantially the same group of Individuals or Entities or combinations thereof.
- (x) "Types of Businesses" means that the business shall be described by the words that correspond to the primary six-digit North American Industry Classification System (NAICS) classification that the business has applied or will apply to documents it files with the Internal Revenue Service.

(2) Contributions relating to Candidates in Multnomah County Candidate Elections.

- (a) No Entity shall make a Contribution to influence the outcome of any Multnomah County Candidate Election.
- (b) An Individual or Entity may make Contributions to influence the outcome of any Multnomah County Candidate Election only as specifically allowed in this Amendment.
- (c) A Candidate, candidate committee, Political Committee, Political Party, or other Entity may accept a Contribution to influence the outcome of any Multnomah County Candidate Election only from funds obtained from the sources and in accordance with the Contribution limits set forth in this Amendment.
- (d) For the purpose of supporting or opposing candidates in Multnomah County Candidate Elections:
 - (A) An individual may make only the following contributions:

- (i) During any election period, to candidate committees, not more than two hundred dollars (\$200) to support or oppose candidates in any particular Multnomah County Candidate Election; and
- (ii) During any calendar year, not more than:
 - a) One hundred dollars (\$100) to any Small Donor Committee;
 - b) Two hundred dollars (\$200) to any other Political Committee;
 - c) One thousand dollars (\$1,000) in the aggregate to a Political Party, including all subdivisions thereof; and
 - d) Two thousand dollars (\$2,000) in the aggregate to all candidate committees, Political Committees, Political Parties, and Small Donor Committees (except by means of Membership Organization dues transfers).
- (B) A Political Committee (other than a Small Donor Committee or a Political Party Finance Committee) may make only the following contributions:
 - (i) During any election period, to candidate committees, not more than five hundred dollars (\$500) to support or oppose candidates in any particular Multnomah County Candidate Election;
 - (ii) During any calendar year, not more than two thousand dollars (\$2,000) in the aggregate to a Political Party, including all subdivisions thereof.
- (C) A Small Donor Committee may contribute any amounts to candidate committees, Political Committees, and Political Parties.
- (D) A Political Party Finance Committee may contribute, during any election period, to candidate committees, not more than ten thousand dollars (\$10,000) to support or oppose candidates in any particular Multnomah County Candidate Election.
- (e) If a contribution is made to a committee that supports or opposes candidates in one or more Multnomah County Candidate Elections and also engages in other activities:
 - (A) The contribution shall be considered to be for the purpose of supporting or opposing candidates in Multnomah County Candidate Elections, unless the contributor, before or after making the contribution, specifies the amount of the contribution that is for the other activities.
 - (B) The committee may not spend such specified amounts on Multnomah County Candidate Elections.
- (f) A Contribution to a Candidate shall be deemed a Contribution to the Candidate's candidate committee.
- (g) An Expenditure by a Political Party to support the candidacy of its nominee shall be deemed a Contribution to the Candidate's candidate committee.
- (h) No Individual under fourteen (14) years of age shall make any Contributions to Candidates or Entities to influence the outcome of Multnomah County Candidate Elections.

- (i) Individuals shall have the right to make contributions by payroll deduction by any private or public employer upon the employer's agreement or if such deduction is available to the employees for any other purpose.

(3) Expenditures relating to Candidates in Multnomah County Candidate Elections.

- (a) No candidate committee, Political Committee, measure committee, Political Party, or Small Donor Committee shall expend funds to support or oppose a Candidate in a Multnomah County Candidate Election, except those collected from the sources and in accordance with the Contribution limits set forth in Section (2) above.
- (b) Expenditures by or Coordinated with Candidates, Political Committees, or Political Parties.
 - (A) A Coordinated Expenditure shall constitute both (1) a Contribution to the relevant Coordinated Entity by the maker of the Expenditure and (2) an Expenditure by the relevant Coordinated Entity.
 - (B) A Candidate or Political Party may seek a determination that an Expenditure is a Coordinated Expenditure benefitting an opposing Candidate or Political Party by filing a petition with the Circuit Court of Multnomah County. The court shall schedule the petition for hearing not later than the third business day after its filing and service upon the benefitting Candidate or party. The courts shall accord such petitions, and appeals therefrom, precedence on their dockets.

(4) Independent Expenditures relating to Candidates in Multnomah County Candidate Elections.

- (a) Any group, association, or Entity (other than an Individual) that makes an Independent Expenditure that seeks to influence the outcome of any Multnomah County Candidate Election shall register as a Political Committee within three (3) business days of making an Expenditure for that purpose. The filing shall also report the Entity's previous sources of funding during the current election cycle.
- (b) Only the following Independent Expenditures are allowed in any Election Period to support or oppose Candidates contesting for any particular public office in a Multnomah County Candidate Election:
 - (A) An Individual in any calendar year may make aggregate Independent Expenditures of not more than five thousand dollars (\$5,000).
 - (B) No Individual under fourteen (14) years of age may make any Independent Expenditure.
 - (C) A Political Committee in any calendar year may make aggregate Independent Expenditures of not more than ten thousand dollars (\$10,000).

(5) Candidate Personal Contributions and Expenditures in Multnomah County Elections.

- (a) A Candidate may contribute to the Candidate's own committee during any Election Period not more than ten thousand dollars (\$10,000) plus fifty percent (50%) of the amount of:
 - (A) Contributions received by another Candidate for the same public office in the same contest from Dominant Contributors; plus

- (B) Independent Expenditures benefitting the other Candidate by Dominant Independent Spenders.
- (b) Once a Candidate has contributed more than \$5,000 in the aggregate to the Candidate's own committee during any election cycle, the Candidate's committee shall report to the appropriate filing officer pursuant to ORS Chapter 260, within seven (7) business days of its receipt, every subsequent Contribution by the Candidate to the candidate committee during the election cycle.
- (c) A Candidate shall make no loans to the Candidate's own committee.
- (d) If for any reason subsection (c) above is not in effect, then every loan by a Candidate to the Candidate's own committee outstanding at the close of the Election Period shall be considered a Contribution and shall not be repaid from committee funds.
- (e) All Expenditures by a Candidate regarding the candidacy shall be deemed a Contribution to the Candidate's committee.

(6) Timely Disclosure of Large Contributions and Expenditures.

- (a) Every Political Committee involved in Multnomah County Candidate Elections shall name and identify itself in all Communications using a name or phrase that clearly states the economic or other interest of its Dominant Contributors, if any.
- (b) Each Communication to voters related to a Multnomah County Candidate Election by a Candidate, candidate committee, Political Committee, or Political Party shall Prominently Disclose:
 - (A) The names of all Political Committees and Political Parties that have paid to provide or present the Communication; and
 - (B) For each contributor to such Entities who has contributed amounts equal to or more than the fifth largest Dominant Contributor to each such Entity since the most recent biennial general election:
 - (i) The contributor's name as an Individual or Entity (in the case that, for any reason, Contributions by Entities continue); and
 - (ii) The Types of Businesses from which the contributor has obtained a majority of income over the previous 5 years.
- (c) Each Communication to voters related to a Multnomah County Candidate Election by Independent Spender shall Prominently Disclose for each Independent Spender who has paid amounts equal to or more than the fifth largest Dominant Independent Spender to present the Communication (or substantially similar Communications) since the most recent biennial general election:
 - (A) The Independent Spender's name as an Individual or Entity (in the case that, for any reason, Contributions by Entities continue); and
 - (B) The Types of Businesses from which the Independent Spender has obtained a majority of income over the previous 5 years.

(7) Multnomah County Voters' Pamphlet.

Multnomah County shall for every primary and general election maintain both a printed and an online voters' pamphlet displaying all of the information specified for a county voter's pamphlet in ORS Chapter 251.

- (a) Each candidate shall provide to Multnomah County an accurate annotated list of the candidate's top 5 Dominant Contributors as of the date that the candidate submits the voters' pamphlet statement, which list shall be included in the printed Multnomah County voters' pamphlet as part of the candidate's statement.
- (b) During the 42 days immediately preceding a primary election or general election, each candidate shall provide to Multnomah County an accurate annotated list of the candidate's top 5 Dominant Contributors, always current to within 7 calendar days, which list shall be included in the online Multnomah County voters' pamphlet as part of the candidate's statement.
- (c) The annotated list for each candidate appearing in the printed and online Multnomah County voters' pamphlet shall include:
 - (A) For each identified Dominant Contributor:
 - (i) The contributor's name as an Individual or Entity (in the case that, for any reason, Contributions by Entities continue);
 - (ii) The Types of Businesses from which the contributor has obtained a majority of income over the previous 5 years; and
 - (iii) The amount contributed to the candidate since the most recent biennial general election.
 - (B) For each Dominant Independent Spender whose expenditures favored the candidate or opposed one or more of the candidate's opponents:
 - (i) The Independent Spender's name as an Individual or Entity;
 - (ii) The Types of Businesses from which the Independent Spender has obtained a majority of income over the previous 5 years; and
 - (iii) The amount the Independent Spender has spent in the particular election contest since the most recent biennial general election.
 - (C) The Multnomah County voters' pamphlet need not include information about any Dominant Independent Spender, if the candidate has publicly renounced that Dominant Independent Spender in the form of a widely distributed press release and on the candidate's main internet page.

(8) Public Financing of Multnomah County Elections.

(a) The Democracy Credits Program. The Multnomah County Auditor shall administer the Democracy Credit Program, which shall provide to every currently registered voter residing in Multnomah County "Democracy Credits" equal to one hundred dollar (\$100) to be used for providing support to candidates and Small Donor Committees involved in Multnomah County elections.

(b) Instructions to be Mailed to Qualified Voters.

(A) On or before the first date for persons to file to become candidates in each biennial primary election specified at ORS 254.056(2), the Auditor shall mail to each registered voter residing in Multnomah County ("Qualified Voters") instructions about the Democracy Credit Program. Every month thereafter, until the month prior to the corresponding biennial general election, the Auditor shall mail similar materials to each new Qualified Voter.

(B) The instructions shall:

- (i) Provide information about the purposes and workings of the program, instructions on how to access the website where complete information about the program can be found, and the telephone number for the Auditor's information line or other similar means for contacting the Auditor for information;
- (ii) Clearly inform the recipient of the program's rules and penalties;
- (iii) Provide to each Qualified Voter a personalized user identification and unique password for use on the Auditor's website or telephone assistance line; and
- (iv) Provide instructions on how the Qualified Voter may use her/his Democracy Credits using the Auditor's website or telephone assistance line.

(c) The Democracy Credits Website and Telephone Assistance Line. The Auditor shall maintain a website and a telephone assistance line that enables Qualified Voters, including those with disabilities, to use their Democracy Credits.

(A) Use of the website and telephone assistance line shall be secured by user identification and password and shall require the user to also enter her/his date of birth, Social Security number's last 4 digits, or Oregon driver's license or identification number.

(B) The website shall:

- (i) list every candidate and every Small Donor Committee eligible to receive Democracy Credits;
- (ii) enable each authorized user to allocate her/his Democracy Credits among the eligible candidates and Small Donor Committees;

(d) Eligible Candidates. Only the following candidates shall be eligible to receive Democracy Credits. The candidate:

(A) has properly filed to run in a current Multnomah County Candidate Election;

(B) has not received any contribution in excess of the limits set forth in Section (2) of this Amendment or has promptly returned to the donor any such contribution received;

- (C) is in compliance with all other provisions of this Amendment and the laws and rules implementing it;
 - (D) has completed an agreement to comply with all of the terms of the Democracy Credits program.
- (e) Eligible Small Donor Committees.** Only the following Small Donor Committees shall be eligible to receive Democracy Credits. The Small Donor Committee:
- (A) maintains a list on a publicly-available website of the candidates it supports and/or opposes;
 - (B) has not received any contribution in excess of the limits set forth in Section (2) of this Amendment or has promptly returned to the donor any such contribution received;
 - (C) is in compliance with all other provisions of this Amendment and the laws and rules implementing it.
 - (D) has completed an agreement to comply with all of the terms of the Democracy Credits program.
- (f) Operation of the Democracy Credits Program.**
- (A) Upon receiving instructions from a Qualified Voter to allocate an amount of Democracy Credits to an eligible candidate or Small Donor Committee, the Auditor, upon confirming that the provided personal identifying information is valid, shall within 5 business days make a transfer of funds in the value specified by the Qualified Voter to the candidate committee of the chosen eligible candidate or to the Small Donor Committee, on behalf of and in the name of the Qualified Voter.
 - (B) A candidate committee or Small Donor Committee may reject a Democracy Credit transfer of funds. The Auditor shall notify a Qualified Voter whose transfer has been rejected and allow that individual to authorize that transfer to other eligible candidates or Small Donor Committees.
 - (C) A Qualified Voter may allocate Democracy Credits at any time between:
 - (i) the first date for persons to file to become candidates in the biennial primary election specified at ORS 254.056(2); and
 - (ii) the day before the corresponding biennial general election date.
 - (D) The allocation of Democracy Credits shall not be considered a "Contribution" for the purposes of Section (2) of this Amendment.
- (g) Auditor to Implement.** The Auditor is responsible for implementing the program.
- (A) The Auditor shall contract for the development and management of a private and secure electronic system that controls and administers all technical aspects of Democracy Credit contributions and authorization, as well as a public online portal, accessible by common internet browsers on traditional computers and mobile phones with internet access, through which Qualified Voter may authorize the Auditor to make Democracy Credit contributions.
 - (B) The Auditor shall continuously manage all funds allocated to the program fund with a goal of promoting the long-term success and sustainability of the program.

- (C) The Auditor shall promote awareness and understanding of the program with the goal of maximizing widespread and diverse citizen and candidate participation in the program.
 - (D) The Auditor shall maintain a dedicated informational website for the program, designed to facilitate viewing on the full range of common screen sizes of internet devices, that educates the public about the program and program fund availability; provides an interactive, easily searchable and current list of qualified candidates, sortable by name, office sought, district, and party; and provides an interactive system detailing information about the use and receipt of Democracy Credit contributions in that election year, as well as the option to download without cost a bulk data file containing that information.
 - (E) The Auditor shall maintain a program telephone hotline through which residents may receive information about the program, request assistance with program issues, allocate Democracy Credits, and submit complaints.
 - (F) The Auditor shall issue a comprehensive report to the public every odd-numbered year detailing the status of the program and its use during the previous even-numbered election year.
 - (G) The Auditor shall adopt regulations to govern the program designed to effectuate the provisions of this Amendment, prevent circumvention and fraud, promote accessibility and participation, address violations of program requirements, and otherwise promote the purposes of the program. The Auditor's regulations may include special civil penalties or other remedies for violations of program requirements.
- (h) Use of Democracy Credits.**
- (A) A candidate or Small Donor Committee may use Democracy Credits only for the purpose of communicating to voters for the purpose of influencing the outcome of an election.
 - (B) No eligible candidate may use Democracy Credit transfer proceeds for any cash payments or in violation of any law; to pay the candidate; to pay any entity in which the candidate or an immediate family member holds in aggregate a ten percent (10%) or greater ownership interest; to pay any amount over fair market value for any services, goods, facilities or things of value; to pay any penalty or fine; or to pay any inaugural or post-election officeholder costs.
- (i) Penalties.**
- (A) A person who knowingly offers to authorize or make a Democracy Credit contribution in exchange for cash or any consideration, or who knowingly offers to buy or sell a Democracy Credit contribution, the ability to make a Democracy Credit contribution, or information contained in personalized program materials is guilty of a Class A Misdemeanor.
 - (B) A person who authorizes or makes a Democracy Credit contribution in exchange for cash or any consideration, or who buys or sells a Democracy Credit contribution, the ability to make a Democracy Credit contribution, or information contained in personalized program materials is guilty of a Class C felony.
- (j) Program Funding.** The cost of the Democracy Credits program shall be paid half by adjusting the rate of taxation in the Motor Vehicle Rental Tax and the remainder by adjusting the rate of taxation in the Transient Lodgings Tax. This adjustment shall not apply to membership-based vehicle-sharing services. If both of those taxes is

discontinued, then the cost shall be paid by adjusting the rate of the Multnomah County Business Income Tax on corporations, partnerships, and multiple-member LLCs having Multnomah County gross income exceeding ten million dollars (\$10 million) in the tax year. The Multnomah County Commission shall make the required tax rate adjustments as necessary to provide sufficient funds for the Democracy Credits that shall begin issuing in September 2017.

(9) Public Official Conflicts of Interest.

- (a) In addition to the applicable provisions of ORS 244.120 - 244.135, no public official of Multnomah County shall:
 - (A) Vote on any official government action or decision or recommendation, if its effect would be a pecuniary benefit exceeding five thousand dollars (\$5,000), cumulatively, to any or all persons identified in subsection (b) of this section.
 - (B) Participate in the government body's deliberations about any official government action or decision or recommendation, if its effect would be a pecuniary benefit exceeding ten thousand dollars (\$10,000), cumulatively, to any or all persons identified in subsection (b) of this section.
- (b) The class of potential beneficiaries includes:
 - (A) The public official;
 - (B) Members of the public official's household;
 - (C) The public official's Relatives;
 - (D) Dominant Contributors to any of the public official's campaigns for the public office held;
 - (E) Dominant Independent Spenders favoring the public official in any of her/his previous campaigns for the public office held; and
 - (F) Businesses owned or controlled, in whole or part, by the public official or household member or Relative or Dominant Contributor or Dominant Independent Spender.
- (c) These prohibitions in this section shall not apply:
 - (A) If the interest or employment or membership in a particular business, industry, occupation or other class is required by law as a prerequisite to the holding of the office; or
 - (B) If the official government action or decision or recommendation would affect to the same degree a class consisting of all inhabitants of the state.

(10) Enforcement.

- (a) The provisions of this Amendment shall be administered and enforced by the Multnomah County Auditor.
- (b) For any Candidate determined to have violated any provision of this Amendment, the Voters' Pamphlet prepared for the election at issue shall display no statement of the Candidate but shall state the Candidate's specific violation(s) of this Amendment.

- (c) Each violation of any provision in this Amendment shall be punishable by imposition of a civil fine which is not less than five times, nor more than twenty times, the amount of the unlawful Contribution or Expenditure or Independent Expenditure, including Contributions or Expenditures or Independent Expenditures not disclosed in accordance with Section (6).
- (d) Any person eligible to vote in a Multnomah County Candidate Election shall have a civil cause of action against any violator of this Amendment and shall, upon proof of violation, recover a civil penalty of not less than \$500 per incident of violation.
- (e) Any person may file a written complaint of a violation of any of the provisions of this Amendment with the Multnomah County Auditor, who shall immediately refer the complaint to an administrative law judge. The administrative law judge shall hold a hearing on the complaint within fifteen (15) days and shall render a final decision within fifteen (15) days of the hearing. The decision shall include any appropriate order, sanction, or relief authorized by statute and shall be final and subject to review by the Court of Appeals as an agency decision in a contested case.
- (f) The decision, when final, shall be enforced by the Multnomah County Auditor, Multnomah County Attorney, and Multnomah County District Attorney. If the decision is not enforced within thirty (30) days of the decision becoming final, the complainant may bring a civil action, in a representative capacity for the benefit of the public, for the collection of the applicable civil penalty, payable to Multnomah County.

(11) Adjustments.

- (a) All dollar amounts specified in Section 11.60 shall be adjusted on January 1 of each odd-numbered year to reflect the change in the federal "Consumer Price Index for All Urban Consumers (CPI-U); Portland-Salem, OR: All items, not seasonally adjusted; 1982-1984+100 reference base" or successor federal index that is most similar to the that specified index. The resulting amounts shall be rounded to the nearest two dollar interval.
- (b) If, in the absence of this Section (11)(b), there would be entered in any court of final jurisdiction any order impairing the effectiveness of any provision of this Amendment on the ground that the United States Constitution or Oregon Constitution:
 - (A) Does not allow such a numeric limit or threshold, percentage limit or threshold, time period, or age limit, we, the electors of Multnomah County, acting in our legislative capacity, hereby:
 - (i) Increase the challenged numeric limit or threshold by a factor of two;
 - (ii) Increase the challenged percentage limit or threshold by fifty percent (50%);
 - (iii) Adjust the challenged time period by thirty (30) days;
 - (iv) Increase the challenged age limit by 2 years;

A prohibition shall be considered a numeric limit of zero.
 - (B) Requires that any type of Individual or Entity be wholly or partially exempt from any of the prohibitions or limitations in this Amendment, then we, the electors of Multnomah County, acting in our legislative capacity, hereby declare that the provisions of this Amendment shall be given a narrowing interpretation so as to avoid invalidation of any provision of this Amendment and to preserve its effectiveness to the maximum degree consistent with the constitutions.

(12) Severability.

The provisions of this Charter Amendment shall supersede any provisions of law with which they may conflict. For the purpose of determining constitutionality, every section, subsection, and subdivision thereof of this Amendment, at any level of subdivision, shall be evaluated separately. If any section, subsection or subdivision at any level is held invalid, the remaining sections, subsections and subdivisions shall not be affected and shall remain in full force and effect. The courts shall sever those sections, subsections, and subdivisions necessary to render this Amendment consistent with the United States Constitution and with the Oregon Constitution. Each section, subsection, and subdivision thereof, at any level of subdivision, shall be considered severable, individually or in any combination.

If the courts of Oregon determine, with finality, that the provisions of this Amendment cannot be applied to Candidates for office other than public offices of Multnomah County itself, then this Amendment shall apply only to elections for public offices of Multnomah County itself, and every instance of "Multnomah County Candidate Election" in this Amendment shall be replaced with "Multnomah County Internal Candidate Election."