BALLOT QUESTION #3—Clean Elections

Shall the Municipality Approve the Charter Modifications Recommended by the Charter Commission Relating to Clean Elections as Summarized Below?

1. Proposed Summary:

These modifications establish a City of Portland Clean Election Fund to provide public campaign funds to qualified candidates for elected municipal offices, beginning in FY 2023-2024. Candidate participation shall be voluntary. The city council shall provide an independent allocation from the city's budget each year to sustain the Clean Election Fund and the city council shall by ordinance direct that the Clean Election Fund must:

- Limit the amount of funds a participating candidate may raise;
- Be limited to candidates who meet certain requirements, such as demonstrated public support and participation in a city-sponsored forum or voter education event; and
- Require that all unused funds be returned to the Clean Election Fund.

In addition to establishing the Clean Election Fund, these modifications:

- Prohibit corporate contributions to any candidate for municipal office;
- Prohibit ballot question contributions or expenditures from any entity that is substantially under foreign influence; and
- Require that all contributions to campaigns be reported to the city clerk and that the city clerk create a searchable online database of information contained in filed registrations and campaign finance reports.

2. Charter Language

Note: This contains only the provisions related to the Commission proposals in **Question # 3** and only those sections which will be changed if this question is adopted. Deletions are shown by strikeouts; new language is <u>underlined</u>.

Amend ARTICLE IV., ELECTIONS, to add Section 12, Public financing of municipal elections, and Section 13, Campaign finance rules, as follow:

Section 12. Public financing of municipal elections.

<u>The city council shall establish and fully fund a City of Portland Clean Election Fund</u> (hereinafter, the "Clean Election Fund" or the "Fund") to provide public campaign funds to qualified candidates for elected municipal offices. The Clean Election Fund must be available to candidates in municipal elections beginning in FY 2023-2024. Candidate participation in the Clean Election Fund shall be voluntary.

Beginning in FY 2023-2024 to allow for implementation for the November 2023 election, the city council shall provide an independent allocation from the city's budget each year to ensure the Clean Election Fund is sustained at a level that facilitates competitive campaigns for participating candidates who meet qualifying criteria. The Clean Election Fund shall be administered by the city clerk and the city council shall appropriate sufficient funds to ensure

Portland Charter Commission - Final Report

there are adequate resources, including paid staff, to effectively administer the Fund.

The city council shall maintain an ordinance directing the operation of the Clean Election Fund. The ordinance shall direct that the Clean Election Fund must:

- (a) <u>Limit the amount of private funds a participating candidate may raise;</u>
- (b) <u>Be limited to candidates who</u>
 - i. demonstrate public support;
 - ii. <u>enter into a binding agreement stating that the candidate will not</u> <u>accept private contributions other than those which are permitted by</u> <u>the Clean Election Fund; and</u>
 - iii. <u>agree to participate in at least one (1) city-sponsored forum or voter</u> <u>education event.</u>
- (c) <u>Require that all unused funds from a participating candidate's campaign be</u> returned to the Clean Election Fund within one hundred (100) days after the date of the election.

The city council may adopt additional regulations and ordinances not inconsistent with this section.

Section 13. Campaign finance rules.

- (a) <u>Corporate Contributions.</u> A business entity may not make contributions to any candidate for municipal office. The term "business entity" refers to a firm, partnership, corporation, incorporated association, or other organization, whether organization as a for-profit or a nonprofit entity. A separate segregated fund committee may not make contributions to any candidate for municipal office using funds that derive, in whole or in part, from a business entity. Where a business entity establishes a separate segregated fund committee, that business entity may provide the separate segregated fund committee with the use of offices, telephones, computers and similar equipment when that use does not result in additional cost to the business entity.
- (b) Foreign Contributions. The city council shall by ordinance enact a prohibition on ballot question contributions or expenditures from any entity that is substantially under foreign influence, including any entity owned by a foreign government and any entity with substantial foreign ownership. The city council shall promulgate rules to specify compliance requirements and otherwise to enforce this ordinance.
- (c) <u>Additional Rules by Ordinance.</u> The city council may adopt additional regulations and ordinances governing campaign spending, not inconsistent with this section.
- (d) <u>Campaign Contributions Reporting.</u> All contributions to campaigns for candidates or ballot questions must be reported to the city clerk, in conformance with any applicable State law. The clerk must establish a searchable, online, and publicly-accessible database of all information included in all registrations and campaign finance reports filed with the clerk.