### OFFICE OF THE SECRETARY OF STATE

TOBIAS READ SECRETARY OF STATE

MICHAEL KAPLAN
DEPUTY SECRETARY OF STATE



### ARCHIVES DIVISION

STEPHANIE CLARK DIRECTOR

800 SUMMER STREET NE SALEM, OR 97310 503-373-0701

# **NOTICE OF PROPOSED RULEMAKING**

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 165
SECRETARY OF STATE
ELECTIONS DIVISION

09/12/2025 4:03 PM ARCHIVES DIVISION SECRETARY OF STATE

**FILED** 

FILING CAPTION: Describing process for filer re-organization and filer migration to new filing system

## LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 11/21/2025 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

CONTACT: Coline Benson

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Filed By:

503-986-1518

ste 126

Coline Benson

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Salem, OR 97310

**Rules Coordinator** 

### **HEARING(S)**

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 11/07/2025

TIME: 11:30 AM - 12:00 PM OFFICER: Coline Benson

REMOTE HEARING DETAILS

MEETING URL: Click here to join the meeting

PHONE NUMBER: 503-446-4951 CONFERENCE ID: 266910903532

SPECIAL INSTRUCTIONS:

Passcode: 9RK2VF6j

# **NEED FOR THE RULE(S)**

This rule is needed to outline the requirements for committee re-organization created HB 4024 (2024) and to explain how the Elections Division plans to migrate data from the current filing system to the new filing system. Failing to understand or know applicable processes and deadlines could lead to significant monetary penalties for the affected filer.

# DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

HB 4024 (2024)

## STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

This rule promotes racial equity by protecting against implicit bias and ensuring that the same guidelines and procedures apply consistently to all regulated stakeholders.

### FISCAL AND ECONOMIC IMPACT:

This proposed rule uses existing deadlines for filing and amending Statements of Organization, but precludes some committees from filing transactions until their Statement of Organization complies with the updated requirements which could have a fiscal and economic impact on regulated stakeholders. Migration to a new filing system and the requirement to comply is required by statute, but migration itself as outlined in this rule and consequences of failing to comply could be significant.

### **COST OF COMPLIANCE:**

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

The proposed rule will create an economic impact on the state Elections Division and on regulated entities. The Elections Division anticipates needing to answer questions and assist regulated stakeholders in understanding and complying with the new requirements in a timely manner. Regulated entities required to comply with this rule, and who will not be able to file campaign finance activity until they comply, could incur significant penalties.

### DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

These rules regulate persons using the Elections Division's online filing system and engaging in campaign finance activities. While small businesses may be involved in providing services to regulated entities, they pass incurred costs on to their clients, the regulated entities. As such, these rules do not regulate small businesses as a class. Further, the costs they would incur and pass on to the regulated entity is dependent on the specific facts of their unique choices and circumstances and cannot be readily determined.

#### WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

ADOPT: 165-012-0820

RULE SUMMARY: This rule describes the process for committees to migrate from the current range of committee types to those allowed in HB 4024 (2024). The rule describes several categories for migration based on committee type in the current filing system and intended committee type in the new filing system. The rule also describes consequences for committees that fail to reorganize in a timely manner.

### **CHANGES TO RULE:**

## 165-012-0820

Political Committee Reorganization and Filer Data Migration

(1) The purpose of this rule is to specify the process by which political committees will reorganize to comply Section 6, Chapter 9, Oregon Laws 2024, and the process by which the Secretary of State (Secretary) will migrate filers from the Oregon Election System for Tracking and Reporting (ORESTAR) to the new electronic filing system.¶

- (2) On or before December 31, 2026, the Secretary will migrate data from all filers in ORESTAR to the new electronic filing system.¶
- (3) Beginning on January 1, 2027, the Secretary will begin accepting filings from filers in the new electronic filing system  $\P$
- (a) Except as provided in section (5) and of this rule, all filers registered in ORESTAR that intend to engage in reportable activity must amend their registration to comply with Section 6, Chapter 9, Oregon Laws 2024, and the Campaign Finance Manual effective January 1, 2027, no later than January 11, 2027. Filers that fail to bring their registration into compliance by the deadline will be subject to a civil penalty and will not have access to file campaign finance transactions until the registration is brought into compliance. Failure to file transactions by their

due date may result in additional civil penalties.¶

(A) Through December 31, 2026, filers registered in ORESTAR must continue to amend their existing filing in ORESTAR within 10 days of a change in information to ensure the data migrated to the new electronic filing system on December 31, 2026, is accurate.¶

(B) Caucus Committees and central committees of a political party registered in ORESTAR that do not meet the definition of a Legislative Caucus Committee or Political Party Committee, respectively, under HB 4024 and the Campaign Finance Manual effective January 1, 2027, may not solicit and receive contributions or make expenditures after December 31, 2026. Committees under this subsection may discontinue their committee not later than December 31, 2026, or re-organize as another type of Political Action Committee no later than January 11, 2027. Committees under this subsection that remain organized as a Caucus Committee or a central committee of a political party committee on January 12, 2027, will be reorganized by the Secretary as a Multicandidate Political Committee. The treasurer of a committee re-organized by the Secretary on January 12, 2027, will be subject to a civil penalty for failing to amend in a timely manner and will not have access to file campaign finance transactions until the registration is brought into compliance. Failure to file transactions by their due date may result in additional civil penalties.¶

(b) Filers that were not registered in ORESTAR and intend to begin operating effective January 1, 2027, may not solicit contributions or donations or make expenditures until January 1, 2027. Filers under this subsection will not have access to file transactions until January 1, 2027.¶

(4) Political Action Committees in existence prior to January 1, 2027, will have an opportunity to reorganize as a Small Donor Political Committee if they have met certain conditions for the duration of the 24 months immediately preceding their reorganization including the requirement that 90% or more of the total contributions received by the Political Action Committee were from:¶

(a) Individual contributors; and ¶

(b) Not more than \$250 per individual contributor per calendar year.¶

(5) Political Action Committees that remain organized as a Miscellaneous Political Committee on March 31, 2027, will be reorganized by the Secretary as a Multicandidate Political Committee. The treasurer of a committee reorganized by the Secretary on March 31, 2027, must take action to supplement the filing with any missing or insufficient information no later than April 12, 2027. Committees under this subsection may not solicit and receive contributions or make expenditures as a Miscellaneous Political Committee after December 31, 2026. Committees under this subsection must operate as a Multicandidate Political Committee beginning on January 1, 2027. Filers that fail to bring their registration into compliance by the deadline will be subject to a civil penalty for failing to amend in a timely manner and will not have access to file campaign finance transactions as a Multicandidate Political Committee until the registration is brought into compliance. Failure to file transactions by their due date may result in additional civil penalties.¶

(6) A Political Action Committee that was re-organized under (5) of this rule will have a single opportunity to reorganize as a Measure Political Committee. To be eligible for reorganization under this section, the treasurer of a re-organized committee must amend the committee's Statement of Organization in accordance with ORS 260.042 and the Campaign Finance Manual effective January 1, 2027, to indicate that they intend to operate as a Measure Committee under this section not later than June 30, 2027.

Statutory/Other Authority: HB 4024 (2024), 246.150

Statutes/Other Implemented: HB 4024 (2024)