

OPEN AND ACCOUNTABLE ELECTIONS COMPLAINT FORM

PART 4

1. "Committee to Elect Loretta Smith" [hereinafter CELS] is registered on ORESTAR as the principal campaign committee for the campaign of Loretta Smith for Portland City Council.

VIOLATION OF CONTRIBUTION LIMITS

2. CELS has violated the campaign contribution limits of Portland City Code § 2.16.040(C)-(F).
3. On July 15, 2020, CELS filed on ORESTAR a contribution dated April 21, 2020, for \$6,000 with Transaction ID 3510675 as an "Anonymous Contribution."
4. An anonymous contribution of \$6,000 is not within the contributions that a candidate committee may legally accept under Portland City Code § 2.16.040(C)-(F).
5. CELS later changed its story and claimed that the \$6,000 reported by CELS did not consist of an anonymous contribution. The CELS manager reported to the press that those funds were received from named contributors in the form of cash stuffed into envelopes. The campaign took the cash but allegedly lost the envelopes and thus could not identify the contributors. Exhibits 1 and 2.
6. CELS cannot document or otherwise prove that the \$6,000 was received in the form of contributions from individuals or otherwise in amounts in compliance with Portland City Code § 2.16.040(C)-(F). Consequently, it must be treated, as it was reported, as a lump sum contribution that is clearly unlawful under Portland City Code § 2.16.040(C)-(F).
7. The CELS description of the events leading to the alleged \$6,000 in anonymous contributions is not remotely plausible and requires investigation by the OAE Director.
8. It is not plausible that CELS received \$6,000 in cash "approximately 25" envelopes and then lost the envelopes and all information about the donors.
9. That explanation would require that the average cash contribution per envelope was \$240. I have worked with and on candidate and ballot measure campaigns in Oregon for over 16 years. I have never seen even a single cash do-

nation that large. Cash donations are almost always \$20 or less. The notion that a campaign for City Commissioner would suddenly attract \$6,000 in cash contributions in "approximately 25" envelopes is wildly implausible.

10. The CELS explanation would require the conclusion that CELS was monumentally incompetent (or dishonest) in accounting for contributions. Other grassroots campaigns I have been involved with have used numbered carbon paper and kept track of gaps in donation slips. Another set of campaigns take pictures of any cash with exposed serial numbers next to their donations slip for record-keeping, before the cash is deposited and reported.
11. The amount reported, \$6,000, is a remarkably round number. The probability that "approximately 25 envelopes" with cash added up to \$6,000 is not remotely plausible. In fact, there is only one chance in 1,000 that a number of separate amounts would add up to a number that lands exactly at the "000" boundary.
12. It is not plausible that any candidate campaign would lose track of the names of its largest contributors. Under the Portland Open and Accountable Elections public funding system, CELS was prohibited from accepting any cash (non-in-kind) contribution in excess of \$250. Thus, the "approximately 25" contributors would have been among the top contributors to the campaign.
13. The facts known to date strongly indicate that this \$6,000 came from some other source(s) that CELS wishes to conceal, probably because the \$6,000 came from sources not allowed by Portland City Code § 2.16.040(C)-(F).
14. In light of the large amount involved and the and egregious nature of the CELS conduct, the OAE Director should impose the maximum fine for violation of Portland City Code § 2.16.040(C)-(F) and should revoke the candidate's certification pursuant to Portland City Code § 2.16.160(B)(2).

VIOLATION OF SPENDING PROHIBITIONS

15. The only way that the \$6,000 could be considered a legal "allowable contribution" to CELS would be if it were somehow considered to be something like 24 separate contributions of \$250.
16. If the \$6,000 is thus considered an allowable contribution(s), Portland City Code § 2.16.080(D) prohibits such contributions from being spent to contribute to civil or non-profit organizations, except for purpose of attending a spe-

cific campaign event open to the public. The \$6,000 paid to the Oregon Food Bank does not qualify under that section.

17. In light of the large amount involved and the egregious nature of the CELS conduct, the OAE Director should revoke the candidate's certification pursuant to Portland City Code § 2.16.160(B)(1) or (2).

VIOLATION OF REPORTING REQUIREMENTS


18. Portland City Code § 2.16.140(C) provides:

A. All candidates and political committees, including non-participating candidates, must report contributions and expenditure transactions electronically in the ORESTAR unless the candidate is not required to create a candidate committee, because contributions and expenditures remain under the threshold provided by state law.

C. In a contested election in which there is at least one participating or certified candidate, beginning on the 180th day before the election and ending on the 42nd day before the election, participating and non-participating candidates shall report contribution and expenditure transactions to the Director within 14 days.

19. CELS claims that the \$6,000 anonymous contribution was received on April 21, 2020, which was within 42 days prior to the May 19, 2020, primary election. Consequently, reporting of that contribution was due, under state law, to the OAE program within 7 days, or April 28, 2020.
20. The \$6,000 anonymous contribution was not reported until July 15, 2020, which was 78 days after the lawful due date.
21. In light of the large amount involved, the long delay, and the egregious nature of the CELS conduct, the OAE Director should impose the maximum fine for violation of Portland City Code § 2.16.140(A) and should revoke the candidate's certification pursuant to Portland City Code § 2.16.160(B)(2).

Please direct all correspondence in this matter to Seth Alan Woolley at seth@s-woolley.org.

A handwritten signature in black ink, appearing to read "Saw", enclosed within a rectangular border.

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