



P O R T L A N D  
CITY AUDITOR  
**Elections**

May 28, 2020

Sam Adams  
5514 NE 31<sup>st</sup> Ave.  
Portland, OR 97217

**DELIVERED ELECTRONICALLY**

Sam@samadamspdx.com  
Inna@samadamspdx.com

Friends of Sam Adams  
3321 SE 20<sup>th</sup> Ave.  
Portland, OR 97202

**Re: City Campaign Regulation Violation (2020-15-SA)  
Warning and Education Letter**

Dear Sam Adams and Friends of Sam Adams,

Complaint and Determination

On May 12, 2020, the City Elections Office received a complaint by members of the public alleging your campaign violated City campaign regulations. Specifically, the complaint claims a lack of contribution disclosures on a mass email communication sent to Portland voters.

**After an investigation, I have identified one violation of City campaign regulations and am issuing this letter of warning and education.**

**The required disclosure was missing entirely from a mass email to Portland voters. The political committee that paid to provide or present the communication and its respective Dominant Contributors were not present anywhere in the email, as required. As a result, the lack of disclosure constitutes a violation of City Campaign regulations (City Code 2.10.030).**

**This letter takes into account the complexity of the newly adopted campaign regulations and potentially conflicting advice given by the City of Portland to campaigns participating in the Open and Accountable Elections program.**

I strongly encourage the campaign to familiarize itself with these regulations and provide full disclosures on any future campaign communications, including campaign endorsements.

City Campaign Regulations

Portland Charter Chapter 3, Article 3 and City Code Chapter 2.10 (collectively, the “City Campaign Regulations” or “Regulations”) were passed by voters in November 2018 and are administered and enforced by the City Auditor’s Office. The City Campaign Regulations require certain campaign contributors and their respective sources of income to be prominently listed on campaign



communications, including emails to voters. Portland City Code (PCC) 2.10.030 (Timely Disclosure of Large Contributions and Expenditures). The Regulations specifically require disclosures for electronic and digital communications.

City Campaign Regulations regarding campaign disclosures were upheld and have been in effect and enforceable for all candidates as of September 1, 2019.<sup>1</sup> Additionally, candidates qualified to appear on the ballot for the May 19, 2020, Primary Election were given notice of the City Campaign Regulations and guidance at the time of candidacy determination.<sup>2</sup>

Emailed voter communications requiring disclosure of political committees that paid to provide or present the communication and their top dominant contributors and associated sources of income, are required to be disclosed, as follows (PCC 2.10.03 A, in relevant part):

- 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). (PCC 2.10.030 A.)

Please note that the City's Open and Accountable Elections program qualifies as a disclosable entity, and participating candidates are required to disclose the program as a Dominant Contributor.

#### Violation of City Campaign Regulations

##### *Mass Email lacking funding disclosures:*

An email containing campaign communications was sent to more than 500 Portlanders on May 11, 2020 for candidate Sam Adams. The mailer included no required funding disclosures anywhere in the communication. The campaign confirms the lack of disclosures.

Under City Campaign Regulations, an electronic communication is required to disclose political committees or entities that paid to provide or present the communication as well as their respective Dominant Contributors and income sources for each. The campaign confirmed that the sole political committee responsible for the communication in question was Friends of Sam Adams. As of the date of the complaint (5/12/2020), Oregon's Elections System for Tracking and Reporting campaign finance transactions (ORESTAR) identified the political committee for Friends of Sam Adams (Committee ID 20340) had two Dominant Contributors requiring disclosure.

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<sup>1</sup> See *In re. Validation Proceeding to Determine the Legality of City of Portland Charter Chapter 3, Article 3 and Portland City Code Chapter 2.10 Regulating Campaign Finance and Disclosure* (Multnomah County Circuit Court Case No. 19CV06544).

<sup>2</sup> See email and letter including guidance on the City Campaign Regulations sent by the City Elections Office to candidate Sam Adams on February 11, 2020 (Candidacy Qualification Determination: Adams).

The lack of timely, prominent disclosure of the largest Dominant Contributors to the campaign anywhere on the email, as required, violates the City Campaign Regulations.

### True Sources of Funding

Each communication must properly disclose that it was paid for by Friends of Sam Adams. I have determined below, and the campaign has confirmed, the top Dominant Contributors providing the largest amounts of funding to that political committee. The sources of funding are as follows:

Friends of Sam Adams (Candidate Political Committee);

Dominant Contributors:

1. City of Portland Open and Accountable Elections Program
2. Peter Zuckerman (Independent Writers, Artists, and Performers)

### Appeals

Appeals for this decision can be made to the Multnomah County Circuit Court within 30 days, as provided by PCC 2.10.050 I.

Sincerely,



Deborah Scroggin  
City Elections Officer