



P O R T L A N D
CITY AUDITOR
Elections

August 27, 2020

Ted Wheeler
PO Box 42307
Portland, OR 97242

Friends of Ted Wheeler
3321 SE 20th Avenue
Portland, OR 97202

DELIVERED ELECTRONICALLY

campaign@tedwheeler.com
amy@tedwheeler.com
j.green@c-esystems.com

NOTICE OF DETERMINATION

Campaign Regulation Complaint No.: 2020-30-TW
- Violation and Civil Penalty -

Dear Ted Wheeler and Friends of Ted Wheeler,

On July 30, 2020, the City of Portland Auditor's Office received the complaint named above, alleging campaign disclosure violations of [Portland City Charter Section 3-303](#) and corresponding [Portland City Code \(PCC\) Section 2.10.030](#). Specifically, the complaint alleged a lack of prominent disclosure of contributors on a campaign email sent by the campaign, Friends of Ted Wheeler.

After an investigation, I have identified one violation of City campaign regulations. The violation results from a failure to prominently disclose required funding information on a May 26, 2020 email sent to Portland voters by Friends of Ted Wheeler. Friends of Ted Wheeler is issued a fine in the amount of \$250 to be paid by September 28, 2020.

Violation of City Campaign Finance Regulations

Email did not disclose required campaign contribution and funding information

On May 26, 2020, a campaign email was distributed by Friends of Ted Wheeler to over 500 Portland voters. Complaint No. 2020-30-TW alleged that the email failed to disclose required funding information.

[Portland City Charter Section 3-303](#) and corresponding [PCC Section 2.10.030](#) require prominent disclosure of true and original sources of funding on digital and electronic communications, such as emails, and entail the inclusion of the following:



- 1) The names of any political committees or entities that have paid to prepare or present a particular campaign,
- 2) The top five dominant contributors that have provided the majority of funding to the political party, and
- 3) The types of business(es) from which a dominant contributor has obtained a majority of its income over the past five years when the dominant contributor is a political committee or non-profit organization.

Although the May 26, 2020 communication to voters did include the correct political committee, the disclosure did not include the committee’s top five dominant contributors. Nor did the disclosure provide additional required information pertaining to each top contributor. As a result, the disclosure was not prominent and timely, and therefore violated City campaign finance regulations.

Original Sources of Campaign Communication Funding

As confirmed by Friends of Ted Wheeler and records in the Oregon Elections System for Tracking and Reporting (ORESTAR), as of May 26, 2020, the disclosable dominant contributors and corresponding funder information for Friends of Ted Wheeler were as follows:

<i>Disclosures Required</i>	<i>Name</i>	<i>Types of Business(es) from which Majority of Income has Originated over Past 5 Years</i>
Dominant Contributor #1	Local 48 Electricians PAC	Labor Unions and Similar Labor Organizations
Funder #1	Richard Blair	Electrical Contractors and Other Wiring Installation Contractors
Funder #2	Timothy Hayes	Electrical Contractors and Other Wiring Installation Contractors
Funder #3	Darren Chapman	Electrical Contractors and Other Wiring Installation Contractors
Dominant Contributor #2	SEIU Local 49	Labor Unions and Similar Labor Organizations
Funder #1	Felisa Hagins	Labor Unions and Similar Labor Organizations
Funder #2	Jacy Laplante	Direct Health and Medical Insurance Carriers
Funder #3	Myongcha Clinton	Janitorial Services
Dominant Contributor #3	Melvin Mark Properties LLC	Nonresidential Property Managers
Dominant Contributor #4	Portland Metro Fire Fighters PAC	Labor Unions and Similar Labor Organizations
Funder #1	Estate of James R. Kluge	Trusts, Estates, and Agency Accounts
Funder #2	Eric Pedersen	Fire Protection
Funder #3	Bryan Profit	Fire Protection
Dominant Contributor #5	Melvin Mark Brokerage Co.	Offices of Real Estate Agents and Brokers

Penalties

The financial penalty considers the overall budget and resources available to the campaign, the size of the intended audience of the email in question, the number and timing of previous warnings or violations within this elections cycle, and whether the information providing the basis for this complaint was available when the complainant previously filed a similar complaint.¹

The Auditor's Office has issued previous warnings and violations to Friends of Ted Wheeler for similar violations in the past:

- Complaint No. 2020-04-TW: On April 21, 2020, the Auditor's Office issued a Letter of Warning and Education based on a lack of required contributor information disclosure on the website, Twitter account, and Facebook account of the campaign.
- Complaint No. 2020-22-TW: On July 27, 2020, the Auditor's Office issued a Violation and Civil Penalty of \$1,000 based on a lack of required contributor information disclosure on a May 14, 2020 email.

A previous complaint filed by the same Complainant, Complaint Nos. 2020-22-TW, was filed with the Auditor's Office on June 26, 2020. That complaint related to a campaign email sent to voters on May 14, 2020. The current complaint was filed with the Auditor's Office on July 30, 2020, regarding a campaign email sent to voters on May 26, 2020. Therefore, the information providing the bases for both Complaint Nos. 2020-22-TW and 2020-30-TW (this complaint) were available to Complainant and both emails of concern could have been addressed simultaneously. The determination issued in Complaint No. 2020-22-TW was also issued after the current email of concern was distributed. Thus, the campaign did not receive the benefit of an additional notice and opportunity to correct practices as a result of the 2020-22-TW determination and prior to the communication in this complaint.

Based on the factors described above, Friends of Ted Wheeler shall pay a reduced fine of \$250 to the City Auditor's Office by September 28, 2020.

NOTE: Late payments for fines may be subject to an increase in fee.

Payment must be postmarked by the due date and can be sent by mail to:

City of Portland Auditor's Office
1221 SW 4th Ave, Rm 130
Portland, OR 97204

Appeals

Pursuant to PCC 2.10.050 I., an appeal may be filed with the Multnomah County Circuit Court within 30 days of the issuance of a decision.

Sincerely,



Louise Hansen
City Elections Officer

¹ See Auditor's Office Administrative Rule 13.02 Campaign Finance: Complaint Process, Section G. "Auditor's Office Decision" at <https://www.portlandoregon.gov/auditor/article/760087>.