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August 15, 2022
Sent Via Email Only

Jeff Thomas For Medford (21036)
Jeff Thomas, Candidate/Treasurer
[REDACTED]

Re: Elections Division Case No. 20-108

Dear Jeff Thomas:

Complaint

On October 26, 2020 the Elections Division received a complaint which alleged possible violations of Oregon election law by you and/or your candidate committee, Jeff Thomas for Medford (21036). Specifically, the complaint alleged that you and/or your candidate committee failed to report campaign finance transactions and failed to establish a Statement of Organization for Candidate Committee.

Investigative Authority and Response to Complaint

Pursuant to ORS 260.205(3), the Elections Division ("Division") opened an investigation into the allegation that you failed to report a contribution from Oregonians for Affordable Housing (2069) ("OFAH"). The Division did not open an investigation into the allegation relating to your Statement of Organization because you had already established a Statement of Organization by the date the complaint was filed.

As part of the investigation, the Division mailed you investigatory inquiry letters requesting responses to the questions set out in the letters. In response to the inquires and information requests by the Elections Division you provided supporting documentation including receipts, invoices, bank statements and check images along with corresponding ORESTAR transaction ID numbers for much of the alleged activity. Though you did provide a deposit slip for a \$1,500 contribution, you did not provide a copy of the check. However, the Division determined that the \$1,500 was most likely the contribution at issue in the complaint as explained below.

On October 24, 2020, your committee filed a contribution in the amount of \$1,500.00 (transaction ID 3651561) from BASO; the transaction was dated October 19, 2020. The Division inquired into the accuracy of this transaction because OFAH reported an expenditure to your committee for the same amount and around the same date (transaction ID 3622938; amended transaction ID 3656422). On June 6, 2022, you amended the contribution from BASO and reported that it was from OFAH (amended transaction ID 4174532).

Legal Framework and Analysis

ORS 260.057 requires all committees to file campaign finance transactions electronically using the ORESTAR system unless specifically exempted by statute. Further, it sets forth the deadlines by which transactions must be filed. Generally, a transaction is due not later than 30 calendar days after the date of the transaction. For committees active in an election, transactions that occur prior to the 42nd day before the election and have not been filed by the 43rd day before the election, whichever occurs first. Transactions that occur between the 42nd day before the election and election day are due no later than seven calendar days after the date of the transaction. The *2020 Campaign Finance Manual* ("CFM") outlined these deadlines in detail on page 21.

ORS 260.083 requires contribution transactions to list the name and address of each contributing political committee. Further, page 54 of the CFM specifically states that the contributor is "the source of the contribution[.]"

According to page 68 of the CFM, changing the name of a contributor resulting in a different contributor being associated with the transaction constitutes a late filing. The transaction is considered late from the transaction due date to the date the amended transaction is filed. The civil penalty for filing transactions late is ½% of the amount of the transaction multiplied by the number of business days late with a maximum penalty of 10% of the amount of the transaction. Late and insufficient violations are processed by calendar month. If the total calculated penalty for late and/or insufficient transactions filed in the calendar month is \$50.00 or more, a Notice of Proposed Civil Penalty for filing the late transactions is issued approximately three months after the end of the month in which the transactions are filed. This process is independent of the investigation prompted by complaints such as the one addressed in this letter.

Authority for Civil Penalty

ORS 260.232 provides in relevant part that the Secretary of State may impose a civil penalty for failure to file campaign finance transactions by the deadlines provided in ORS 260.057. The Secretary adopted the CFM which includes a matrix that applies to late filed campaign finance transactions. See page 68-69 of the CFM, Penalty Matrix: Late Filings.

Determination

Based on the information obtained and reviewed, the Election Division finds that you violated Oregon election law by failing to file accurate and timely campaign finance transactions. It is unclear why you originally reported BASO as the contributor for this transaction, but absent evidence that this was done to obscure the name of the contributor, the Division is not pursuing a criminal investigation under ORS 260.402 for contributions in a false name.

The penalty for the transactions is ½% of the amount of the transaction multiplied by the number of business days late not to exceed 10% of the amount of the transaction. In this case, the civil penalty for amending transaction ID 3651561 to show that it was from OFAH instead of BASO will be approximately \$150.00. Other amendments you filed may result in additional civil penalties. A Notice of Proposed Civil Penalty will be issued in October 2022 in accordance with the process set forth in the CFM.

The Division urges you to ensure you are accurately reporting contributor names when reporting transactions to avoid future complaints and civil or criminal penalties. This concludes the investigation into the complaint.

Please contact our office at orestar-support.sos@sos.oregon.gov if you have any questions about the content of this letter.

Sincerely,

A handwritten signature in black ink that reads "Michele Hickam". The signature is written in a cursive style with a long horizontal flourish at the end.

Michele Hickam
Compliance Specialist