

BILL BRADBURY  
SECRETARY OF STATE



ELECTIONS DIVISION  
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BEFORE THE SECRETARY OF STATE  
OF THE  
STATE OF OREGON

In the matter of a Late Contribution and Expenditure Report )  
by Oral and Maxillofacial Surgeons Political Action ) Final Order by Default  
Committee of Oregon, William E. Zepp, Treasurer, for the )  
first pre-election for the May 16, 2006, Primary Election ) Case No. L8691  
)

August 14, 2006

Oral and Maxillofacial Surgeons Political Action Committee of Oregon (003860)  
William E. Zepp, Treasurer  
17898 SW McEwan Rd  
Portland, OR 97224

Dear Mr. Zepp:

This is a Final Order by Default issued by the Secretary of State (secretary) for your failure to file a timely first pre-election contribution and expenditure report for the May 16, 2006, Primary Election.

On July 10, 2006, the secretary notified Oral and Maxillofacial Surgeons Political Action Committee of Oregon (committee), pursuant to ORS 260.232(2), that it had failed to file the report and that the secretary may impose a civil penalty. An opportunity for a hearing was provided in that notice; however, no request for a hearing was received by the secretary within the time permitted in the notice. Accordingly, after consideration of the records and files of the secretary regarding this matter, the secretary is entering the following Order.

FINDINGS OF FACT

1. The committee's Statement of Organization (SEL 221), applicable during the reporting period, was filed with the secretary on August 1, 2000. The statement reported William E. Zepp as the treasurer and 17898 SW McEwan Rd, Portland, OR 97224 as the address to which all committee correspondence was to be sent.
2. The committee was required to file a first pre-election report with the secretary on April 10, 2006.
3. The secretary received the report on April 11, 2006, which is one business day after the date on which the report was due.

4. The committee filed a Certificate of Limited Contributions and Expenditures certifying that it did not expect to exceed \$2,000 in either contributions or expenditures for the entire election.
5. On July 10, 2006, the secretary sent the committee a Notice of Proposed Civil Penalty. The notice was sent by both certified and first class mail to the treasurer at the above-referenced address. The notice proposed a civil penalty of \$20.00 and allowed the committee 20 days to request a hearing. The notice sent by certified mail was received and signed for by Julie Sterling on July 14, 2006.
6. The committee did not request a public hearing or submit notarized testimony in lieu of a public hearing.
7. The secretary has record of no previous late filings during the two-year period beginning September 15, 2005.

#### ULTIMATE FINDINGS OF FACT

William E. Zepp, Treasurer, failed to file a timely first pre-election contribution and expenditure report for the May 16, 2006, Primary Election.

#### CONCLUSIONS OF LAW

Treasurer William E. Zepp's failure to file a timely first pre-election contribution and expenditure report for the May 16, 2006, Primary Election violated ORS 260.112.

By statute, a maximum \$10,000 civil penalty may be imposed for this violation. The *2006 Campaign Finance Manual*, which contains a penalty calculation matrix on pages 104–106, is designated in OAR 165-012-0005 as the procedure manual for Oregon campaign finance regulations.

Under the penalty matrix, the maximum statutory penalty of \$10,000 is reduced to 1% of the total contributions or total expenditures—whichever is greater—for each business day the report was late as this is the first late violation by the treasurer. For a late Certificate of Limited Contributions and Expenditures, the penalty is based on assumed contributions and expenditures of \$2,000.

The calculated penalty for the late report is \$20.00 ( $\$2,000.00 \times 1\% \times 1 \text{ day}$ .) Because the appropriate penalty is under \$50, no penalty will be assessed.

#### ORDER

It is ordered that no penalty be assessed.

RIGHT TO JUDICIAL REVIEW

You have the right to appeal this Order to the Oregon Court of Appeals pursuant to ORS 183.482. To appeal you must file a petition for judicial review with the Court of Appeals within 60 days from the day this Order was served to you. Because this Order was mailed to you, the date of service is the day it was *mailed*, not the day you received it. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

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Jan Flowers, Compliance Specialist

DATE of Service: \_\_\_\_\_