OFFICE OF THE SECRETARY OF STATE

BILL BRADBURY
SECRETARY OF STATE

ELECTIONS DIVISION

JOHN LINDBACK
DIRECTOR

141 STATE CAPITOL
SALEM, OREGON 97310-0722

ELECTIONS — (503) 986-1518

BEFORE THE SECRETARY OF STATE
OF THE
STATE OF OREGON

In the matter of a Late Contribution and Expenditure Report by the Bruce Starr for State Senate Committee, Bruce Starr, Candidate, Nancy Stout, Treasurer, for the Second Supplement to the Second Pre-Election for the November 7, 2006, General Election	)))))	Final Order by Default Case No. L9209

August 15, 2007

Bruce Starr for State Senate Committee (002752)
Bruce Starr, Candidate / Nancy Stout, Treasurer
22115 NW Imbrie Dr #290
Hillsboro, OR 97124

Dear Senator Starr:

This is a Final Order by Default issued by the Secretary of State (secretary) for your failure to file a timely second supplement to the second pre-election contribution and expenditure report for the November 7, 2006, General Election.

On July 11, 2007, the secretary notified the Bruce Starr for State Senate Committee (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 220), applicable during the reporting period, was filed with the secretary on March 13, 2006. The mailing address provided on the Statement of Organization for the candidate was 22115 NW Imbrie Dr #290, Hillsboro, OR 97124. The statement reported Nancy Stout as the treasurer and 4888 NW Bethany Blvd Ste K5 #367, Portland, OR 97229 as the address to which all committee correspondence was to be sent.

2. The committee was required to file a second supplement to the second pre-election report with the secretary on November 3, 2006.

3. The secretary received the report on December 7, 2006, which is 24 business days after the date on which the report was due.

4. The committee reported no contributions and total expenditures of $16,080.15 during the accounting period for the report.

5. On July 11, 2007, the secretary sent the committee a Notice of Proposed Civil Penalty. The notice was sent by both certified and first class mail to the candidate and was sent by first class mail to the treasurer at the above-referenced addresses. The notice proposed a civil penalty of $10,000.00 and allowed the committee 20 days to request a hearing. The notice sent by certified mail was received and signed for by S. Burley on July 12, 2007.

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 two previous late filings during the two-year period beginning September 15, 2005.

ULTIMATE FINDINGS OF FACT

Bruce Starr, Candidate, and Nancy Stout, Treasurer, failed to file a timely second supplement to the second pre-election contribution and expenditure report for the November 7, 2006, General Election.

CONCLUSIONS OF LAW

Candidate Bruce Starr's and Treasurer Nancy Stout's failure to file a timely second supplement to the second pre-election contribution and expenditure report for the November 7, 2006, General Election violated ORS 260.068.

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 5% of the total contributions or total expenditures—whichever is greater—for each business day the report was late as this is the third late violation by the candidate.

Although the calculated penalty for the late report is $19,296.24 ($16,080.15 x 5% x 24 days), the penalty matrix sets a maximum penalty of $10,000.00 when the total contributions or total expenditures—whichever is greater—is over $10,000.

ORDER

It is ordered that a penalty of $10,000.00 is assessed. If your payment is not received within 60 days from the date of service noted below, this Order will be sent to our accounting division for collection and may be subsequently sent to the Oregon Department of Revenue.

Please refer to case number L9209 when mailing your payment.

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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Stacey Jackson, Compliance Specialist

DATE of Service: August 15, 2007

c: Nancy Stout, Treasurer
4888 NW Bethany Blvd Ste K5 #367
Portland, OR 97229