

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 Friends of David Edwards, David Edwards,) Final Order by Default
Candidate, Gail Harrower, Treasurer, for the First)
Supplement to the Second Pre-Election for the) Case No. L9218
November 7, 2006, General Election)

October 18, 2007

Friends of David Edwards (005261)
David Edwards, Candidate / Gail Harrower, Treasurer
6472 SE Nathan Ct
Hillsboro, OR 97123

Dear Representative Edwards:

This is a Final Order by Default issued by the Secretary of State (secretary) for your failure to file a complete first 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 Friends of David Edwards (committee), pursuant to ORS 260.232(2), that it had failed to file the complete 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 January 30, 2006. The mailing address provided on the Statement of Organization for the candidate was 6472 SE Nathan Ct, Hillsboro, OR 97123. The statement reported Gail Harrower as the treasurer and 22115 NW Imbrie Dr #328, Hillsboro, OR 97124 as the address to which all committee correspondence was to be sent.
2. The committee was required to file a first supplement to the second pre-election report with the secretary on October 30, 2006, disclosing contributions exceeding an aggregate of \$500 from a single source and expenditures exceeding an aggregate of \$1,000 to a single payee between October 23 and November 2, 2006.

3. The committee submitted a timely first supplement to the second pre-election report on October 30, 2006. However, two additional contributions and four additional expenditures should have been included on the report.
4. The four expenditures that were required to be included on the first supplement to the second pre-election report (\$1,441.13 to the Hillsboro Argus on October 23, 2006, \$1,504.82 to the United States Treasury on October 26, 2006, \$2,448.50 to Seth Prickett on October 29, 2006, and \$1,030.06 to Oregon Department of Revenue on October 29, 2006) were first disclosed on a first supplement to the second pre-election report filed on November 3, 2006, making this portion of the report four business days late. The two contributions that were required to be included on the first supplement to the second pre-election report (\$63.17 and \$6.00 from Oregon League of Conservation Voters on October 27, 2006) were first disclosed on your post-election report filed on December 4, 2006, making this portion of the report 23 business days late.
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 \$818.80 (this was erroneously calculated; the corrected civil penalty is \$770.96) and allowed the committee 20 days to request a hearing. The notice sent by certified mail was received and signed for by Michelle D. Edwards on July 12, 2007.
6. The committee submitted a notarized letter on August 6, 2007, but it was after the 20-day deadline to request a hearing. Even if the letter was timely filed, it would not have changed the outcome of this case.
7. On August 14, 2007, the committee submitted an amended Statement of Organization, updating the treasurer's address to 10260 SW Greenburg Rd, Ste 1180, Portland, OR 97223.
8. The secretary has record of one previous late filing during the two-year period beginning September 15, 2005.

ULTIMATE FINDINGS OF FACT

David Edwards, Candidate, and Gail Harrower, Treasurer, failed to file a complete and timely first supplement to the second pre-election contribution and expenditure report for the November 7, 2006, General Election.

CONCLUSIONS OF LAW

Candidate David Edwards's and Treasurer Gail Harrower's failure to file a complete and timely first 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 3% of the total contributions or total expenditures—whichever is greater—for each business day the report was late as this is the second late violation by the candidate.

ORDER

It is ordered that a penalty of \$770.96 ($\$6,424.51 \times 3\% \times 4$ days) 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 L9218 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.

Nancy Ferry, Compliance Specialist

DATE of Service: _____

c: Gail Harrower, Treasurer
10260 SW Greenburg Rd Ste 1180
Portland, OR 97223