

January 17, 2023

Mayor Ted Wheeler
1221 SW Fourth Avenue, Suite 340
Portland, Oregon 97204

Mayor Wheeler,

The organizations noted below urge your support of the Portland Elections Commission (PEC) recommendation to include at least \$5.4 million in funding for the Small Donor Elections (SDE) program in your FY 2024-25 budget.

Adopted in 2016, the purpose of the SDE program is to restore Portlanders' confidence in our democracy and government by reducing the real and perceived influence of large contributions during campaigns and after elections. It also supports other goals that are consistent with City of Portland values such as reducing barriers for Portlanders of all demographics to run for office.

However, the SDE program faces a funding challenge due to the voter-approved charter amendments that both increased the size of the Council and, on a one-time basis, required all City offices to be elected in 2024. The budget of the SDE program requires an adjustment to ensure sufficient funds for the 2024 election. It is especially important to provide full funding in the upcoming election cycle since voters clearly want to have a full range of candidates to choose among in order to have a more representative city government that reflects the interests of the population it serves.

Currently, the SDE program is being funded at a level consistent with only three offices being elected in 2024. Therefore, the PEC asked that the program receive additional funding in both the FY 2023-24 and FY 2024-25 budgets. Unfortunately, no additional funding was included in either the FY 2023-24 budget or the Fall 2023 BMP. Additional funding during the Spring 2024 BMP would be especially timely, and we request consideration of that option though our understanding is that this may not be feasible. Since the FY 2024-25 budget is under development, our urgent request is for you to add at least \$5.4 million to the SDE allocation to ensure a vital correction to the severe underfunding of the program for the 2024 election.

This request is based on the most recent data available from the PEC. The costs for previous elections are shown at the top of the following chart. The italicized line shows the number of candidates who have indicated their interest in running so far in 2024 and that at this point approximately \$3.8 million in matching funds is expected to be available.

Election	# / Seats up for Election	Participating Candidates	Matching Funds Available
2020 Regular	3: Mayor, Council 1 & 4	8	\$3 million
2020 Special	1: Council 2	8	\$1 million
2022 Regular	3: Auditor, Council 2 & 3	7	\$3.4 million
<i>2024 Regular</i>	<i>14: Mayor, Auditor, Council 1-12</i>	<i>41 (so far)</i>	<i>~\$3.8 million</i>

Based on the above data, the PEC's conservative estimate of the cost to fund the program in 2024 is \$9.2 million. Since the current funding expectation is only \$3.8 million, fully funding the program would require an additional \$5.4 million in the City's 2024-25 budget. Please note that this is the latest information we have from the PEC and updates from them may be available.

If the SDE program does not receive additional funding, there will be problematically significant reductions in the matching funds it can provide to candidates for the 2024 elections. We understand that the PEC might have to cut all match caps by 60 percent. If this happened, a Mayoral candidate, running citywide, would receive only \$300,000, instead of \$750,000 in matching funds. This would not provide enough money to run an effective citywide campaign and could encourage rather than be a safeguard regarding independent expenditures. This is why we are urging you to add at least \$5.4 million for the SDE program in your FY2024-25 budget.

We trust that you share our commitment to robust democracy. We appreciate your commitment to full and effective implementation of the voter-approved charter amendments. We know you understand how those charter reforms affect the SDE program. Please make it a priority to ensure a fully funded SDE program for the 2024 election.

Thank you,



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