



DEMOCRATIC PARTY OF OREGON

Democracy in Action

July 18th, 2009

Brenda Bayes
Acting Elections Director
Secretary of State, Elections Division
255 Capitol St NE Ste 501
Salem, Oregon 97310-0722

Dear Ms. Bayes,

I am the Executive Director of the Democratic Party of Oregon, and I write as an elector to make a formal complaint against Sid Leiken and his campaign committee, Friends of Sid Leiken, as set out in ORS chapter 260.

On May 23, 2009, the Eugene Register Guard reported discrepancies in two transactions filed by Springfield Mayor Sid Leiken in the Campaign and Finance Database, ORESTAR, with the Oregon Secretary of State. In that report, Leiken's mayoral campaign fund made two separate payments totaling \$2,300 to his own consulting company, SWL Consulting. One payment was made on March 11, 2009, for polling data and the other was made on May 5, 2008, for voters' pamphlet material. ORS 260.409 bars candidates from directly benefiting financially from campaign funds.

In the article (see attached), Leiken made it sound as though the error was simply an accounting problem. He stated the money was not used to benefit his company. Instead, the \$2,300 was a reimbursement to "his company for purchases it made on the campaign's behalf," which the article notes is allowed under Oregon's campaign finance laws.

On June 4, 2009, Leiken's campaign filed amendments to transactions reported to the Secretary of State's office from March 11, 2009 and May 5, 2008. He corrected the March 5, 2008, expense as a personal reimbursement which is allowable. However, he attributed the March 11, 2009, expense for polling to P & G Marketing and Research at PO Box 871, Springfield, OR 97477.

P&G Marketing and Research is not a registered company with the State of Oregon's Corporations Division, and no record of this company can be found on the Internet. Also, the mailing address for P & G Marketing and Research is the same address Glenda Leiken Realty has registered with the State of Oregon's Corporations Division and the Oregon Real Estate Agency. Glenda Leiken is a family member of Sid Leiken.

Deliberately falsely reporting or laundering of campaign funds through a non-existent company would constitute a violation of ORS 260.057. There is no public record that verifies the existence of P & G Marketing and Research. The ownership and use of P.O. Box 871 by Sid Leiken's mother raises further questions regarding the existence of P & G Marketing and Research.

Casting further doubt upon the existence of P & G Marketing and Research, in the Register Guard article Mr. Leiken stated that funds paid to P & G Marketing and Research were for polling. He stated the poll was regarding his proposal to raise the gas tax in Springfield but he declined to identify other topics addressed in the poll or name the firm that conducted the polling. He further stated that he "doesn't share poll results with anybody and that polling has just been his kind of gauge of where things are." Two members of Save Our Streets, a political action committee formed to support the gas-tax measure, said Leiken had not shared the poll results with them, raising questions as to whether any poll actually exists.

At a minimum, it seems Mr. Leiken must prove the existence of P & G Marketing and Research. He must also explain why and how P & G Marketing and Research has a PO Box that is registered to Glenda Leiken's Realty company. Finally he needs to document that polling services were actually performed.

The Democratic Party of Oregon respectfully requests that your office investigate these potential violations and if proven, assess appropriate penalties against Sid Leiken, the Friends of Sid Leiken and all other responsible individuals and entities for the possible serious violations of Oregon law described above.

Please feel free to contact me with any questions or concerns. Thank you for your attention to these matters.

Sincerely,



Trent Lutz
Executive Director
Democratic Party of Oregon