

# SENATE BILL REPORT

## SB 5931

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As Reported By Senate Committee On:  
State & Local Government, March 3, 1999  
Ways & Means, March 8, 1999

**Title:** An act relating to electronic filing and publication of campaign finance and lobbyist reports.

**Brief Description:** Requiring electronic filing and publication of campaign finance and lobbyist reports.

**Sponsors:** Senators Patterson, Horn, Gardner, McCaslin, Haugen, Kline, Brown, Costa, Hale, Kohl-Welles, B. Sheldon and Bauer.

**Brief History:**

**Committee Activity:** State & Local Government: 2/24/99, 3/3/99 [DPS-WM].  
Ways & Means: 3/8/99 [DP2S].

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** That Substitute Senate Bill No. 5931 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Patterson, Chair; Gardner, Vice Chair; Hale, Haugen, Horn, Kline and McCaslin.

**Staff:** Eugene Green (786-7405)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** That Second Substitute Senate Bill No. 5931 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Kline, Kohl-Welles, Long, McDonald, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Wojahn.

**Staff:** Steve Jones (786-7440)

**Background:** The Public Disclosure Commission (PDC) was created and empowered by initiative of the people to provide timely and meaningful public access to information about the financing of political campaigns, lobbyist expenditures, and the financial affairs of public officials and candidates, and to ensure compliance with contribution limits and other campaign finance restrictions.

During the 1997-1999 biennium, the PDC received enhanced appropriations to enable the agency to offer more efficient services; fulfill responsibilities; and improve customer service technology. Some of these appropriations were specified for the following:

- one-time funding was provided to implement electronic filing of financial affairs statements; and
- one-time funding was provided for customer service technology improvements, including enhanced Internet access, fax-on-demand technology, personal computers, and software compatible with the agency's new imaging system.

**Summary of Second Substitute Bill:** The Legislature intends to ensure that the Public Disclosure Commission (PDC) provide the general public timely access to all contribution and expenditure reports and to ensure that beginning January 1, 2001, electronically submitted reports are accessible via the PDC's internet web site within two business days of receipt of report and all other submitted reports are accessible via the PDC's web site within four business days.

The executive director must appoint an assistant executive director who is responsible for maintaining and enhancing the collection of and public access to information through electronic means.

By July 1 of each year, the PDC must calculate and make available to the public the following performance measures:

- average number of days between the PDC's receipt of the following reports and the time that the reports are first accessible to the general public via the PDC's office and via the PDC's web site: continuing political committees, candidate committees, and independent expenditures; special reports of "late" contributions; and lobbyists and employers of lobbyists; and
- the percentage of candidates, categorized as statewide, state legislative, or local; continuing political committees; and lobbyists and lobbyists' employers who have used specified electronic methods to file various candidate reports.

The PDC must develop an information technology plan consistent with the requirements of the Department of Information Services. The plan must include: a baseline assessment of the PDC's information technology and resources; a statement for achieving electronic access to the PDC's records and services for the next five years and how this statement conforms to the state strategic information technology plan; an implementation strategy to enhance electronic access to public records and information required to be filed with and disclosed by the PDC; and estimated schedules and funding required to implement identified projects. In preparing the information technology plan, the PDC must consult with affected state agencies, the Department of Information Services, and stakeholders in the PDC's work.

The PDC must submit the information technology plan to the Governor, House and Senate committees, and the Department of Information Services by January 1, 2000.

The PDC must prepare and submit to the Department of Information Services a biennial performance report that must include: an evaluation of the PDC's performance relating to information technology; an assessment of progress toward implementing the plan; an analysis

of its performance measures; an analysis of citizen interaction with the PDC; and an inventory of the PDC's information services, equipment, and proprietary software.

Any documents provided to the PDC for use in conducting audits and investigations must be returned to the sender within two weeks of the PDC's receipt.

By January 1, 2000, the PDC must operate a web site or contract for the operation of a web site that allows access to specified reports and information filed with it (organized by political committees, continuing political committees, candidates' contributions and expenditures, independent expenditures, "late" contributions, lobbyists, lobbyist "late" contributions and employers of registered lobbyists). The PDC must also attempt to make available via the web site other public records required by the Public Disclosure Act.

By July 1, 1999, the PDC must offer every candidate, political committee, and party organization the option of electronic filing, financial affairs reports, contribution reports, and expenditure reports. Reporting forms must be made available at no charge. By January 1, 2001, electronic filing must be offered to lobbyists and lobbyists' employers.

Beginning January 1, 2000, each candidate for state office, each candidate for county office in counties with a population greater than 300,000 (King, Pierce, Snohomish, Spokane, Clark), and each continuing political committee must electronically file all contribution and expenditure reports. However, the PDC may establish monetary thresholds for campaigning, below which this requirement does not apply. Failure by a candidate or continuing political committee to comply is a violation of this chapter.

Unspecified appropriations are made to the PDC for the following:

- preparation of information technology plan;
- appointment of an assistant director of information services and for maintaining and enhancing the collection of and public access to information through electronic means (contingent upon reorganization); and
- option for lobbyists and lobbyists' employers to electronically file (contingent upon completion of information technology plan).

**Second Substitute Bill Compared to Substitute Bill:** The unspecified appropriation is deleted.

**Substitute Bill Compared to Original Bill:** The timely access requirements imposed upon the PDC are deferred until January 1, 2001. The requirement that the PDC be divided into three specified divisions is eliminated. The statements of organization cannot be filed electronically. The PDC is given the flexibility to set threshold for campaigns below which electronic filing may be dispensed with.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Quick access to reports and documents is essential to the goals of the initiative passed by the people to allow for an informed citizenry. Currently, information is out of date and difficult to obtain. An annual performance audit report ensures accountability.

**Testimony Against:** The timely access requirements are too ambitious to implement in a short period of time. Statements of organization should not be filed electronically because it could lead to fraud. The PDC should not have mandated divisions. It is a small agency, responsibilities change, and it needs flexibility to react to changing circumstances. Small campaigns should be exempt from electronic filing requirements. Some people do not even own a computer.

**Testified:** Senator Julia Patterson, prime sponsor; Melissa Warheit, Ronda Cahill PDC (pro/con); Chere Davidson, League of Women Voters of WA.