

***State Government Committee***

***HB 1354***

***Brief Description:*** Reporting election independent expenditures and contributions.

***Sponsors:*** Representatives McDermott, Haigh, D. Schmidt, Lambert, Miloscia, Keiser and Schual-Berke; by request of Public Disclosure Commission.

***Brief Summary of Bill***

- *Requires sponsors of independent expenditures of \$1000 or more made within 21 days of an election to file a special report with the Public Disclosure Commission.*
- *Increases the dollar thresholds, from \$500 to \$1000, for campaign treasurers and lobbyists to file special reports with the Public Disclosure Commission within 21 days of an election.*

***Hearing Date:*** 2/23/01

***Staff:*** Steve Lundin (786-7127).

***Background:***

*The Public Disclosure Act requires various reports of campaign expenditures and contributions to be filed with the Public Disclosure Commission (PDC) and county auditors.*

*Each candidate or political committee is required to file a report on contributions it received, and expenditures it made, since filing the last report at the following intervals: (1) On day 21 and the seventh day immediately preceding the election; (2) on day 10 of the first month after the election; and (3) on day 10 of each month in which no other reports are required to be filed. In addition, a candidate or political committee that receives a contribution or an aggregate of contribution in excess of \$500 within the last 21 days before an election must file a special report on the contribution with the PDC. The report must be filed within 48 hours or the first working day after receipt of the contribution.*

*Any lobbyist, person who lobbies, and any lobbyist's employer who makes a contribution or aggregate of contributions to a single entity exceeding \$500 during a special reporting period must file a special report on the contribution with the PDC within the same time limits for special reports by candidates or political committees.*

*Each person who makes an independent expenditure of \$100 or more during the same election campaign in support of or opposition to a candidate or ballot proposition, who does not otherwise have to file a report as a candidate or political committee, must file a report of the independent expenditure at the following intervals: (1) On day 21 and the seventh day immediately preceding the election; (2) on day 10 of the first month after the election; and (3) on day 10 of each month in which no other reports are required to be filed. Any person making an independent expenditure of \$100 or more who mails 1000 or more of the same or essentially the same political ads in one year in support of or opposition to a candidate or ballot proposition must file an example of the advertising with the county auditor of the county in which the candidate resides or with the county auditor of the person making the expenditure if the ad relates to a ballot proposition. No provisions are provided for a special report to be made for these independent expenditures, similar to special reports required for political committees, candidates, and lobbyists, if the expenditure is made within 21 days of an election.*

#### **Summary of Bill:**

*Special reports by sponsors of certain independent expenditures must be filed with the PDC and the dollar thresholds are increased for campaign treasurers and lobbyists to file special reports.*

#### **A. Special reports of independent expenditures.**

*A sponsor must file a special report with the PDC if the sponsor makes an independent expenditure within 21 days of an election that totals \$1,000 or more to support a candidate or oppose a candidate's opponent, or to support or oppose a ballot proposition. The special report must be filed within 24 hours or on the first working day after the political advertising is published or otherwise presented to the public. Filing may be made electronically or in written form. A sponsor who is required to make such a report must make a similar report for each subsequent expenditure of any size supporting or opposing the same candidate or ballot proposition.*

*The special report must include: (1) The name and address of the person making the expenditure; (2) the name and address of the person to whom the expenditure was made; (3) a detailed description of the expenditure; (4) the date the expenditure was made and the date the political advertising first was published or otherwise presented to the public; (5) the amount of the expenditure; (6) the name of the candidate supported or opposed by the expenditure, the office being sought, whether the expenditure supported or opposed the candidate, or the name of the ballot proposition and whether the expenditure supported or opposed the ballot proposition; and (7) other information the PDC requires by rule.*

*The sponsor of independent expenditures supporting or opposing a candidate must file an affidavit or declaration that the expenditure was not made in cooperation, consultation, or*

*concert with the candidate's authorized committee, the candidate's agent, or with the encouragement or approval of the candidate, the candidate's authorized committee, or the candidate's agent.*

***B. Increase dollar thresholds.***

*The \$500 threshold is increased to \$1000, for special reports that campaign treasurers must file concerning a contribution or the aggregate of contribution that is received within the last 21 days before an election.*

*The \$500 threshold is increased to \$1000, for special reports that a lobbyist or lobbyist's employer must file for a contribution to a single entity during the last 21 days before an election.*

***Rulemaking Authority:*** *The PDC may adopt a rule providing for additional information to be filed by a person making a last minute independent expenditure.*

***Appropriation:*** *None.*

***Fiscal Note:*** *Not Requested.*

***Effective Date:*** *The bill takes effect on January 1, 2002.*