

# SENATE BILL REPORT

## SB 5570

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As of February 7, 2017

**Title:** An act relating to certification of the level of foreign national ownership for corporations that participate in Washington state elections.

**Brief Description:** Concerning certification of the level of foreign national ownership for corporations that participate in Washington state elections.

**Sponsors:** Senators Billig, Miloscia, Hunt, Zeiger, Kuderer, Keiser, Rolfes and Hasegawa.

**Brief History:**

**Committee Activity:** State Government: 2/08/17.

**Brief Summary of Bill**

- Requires that contribution and expenditure reports contain certifications from each corporation making a contribution that the corporation's ownership comprises less than 50 percent foreign nationals.

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### SENATE COMMITTEE ON STATE GOVERNMENT

**Staff:** Samuel Brown (786-7470)

**Background:** The Public Disclosure Commission (PDC). The PDC was created by the passage of Initiative 276 in 1972. The PDC is empowered to provide timely 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.

Campaign Finance Disclosure Reports. Candidates and political committees must file periodic reports with the PDC detailing contributions of more than \$25 received and expenditures made. This report is known as the C-4, after the form used to file the report. Candidates and committees must file a C-4 report at the following intervals:

- on the tenth day of the month if the candidate received a contribution or made an expenditure in the preceding calendar month and the total contributions received or total expenditures made since the last report exceed \$200;
- twenty-one days before the election;

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- seven days before the election; and
- on the tenth day of the month following the election.

C-4 reports must contain the following information:

- the candidate or committee's money on hand;
- the name and address of each person who has contributed more than \$25 to the candidate or committee, and the aggregate value of all contributions made by that person;
- the lender name and address, date and value of each loan, promissory note, or security used by the candidate or committee;
- the name and address of each political committee to which money was transferred;
- the name and address of each person to whom the candidate or committee made an expenditure of more than \$50 and the amount, date, and purpose of each expenditure;
- the name and address of each person compensated for soliciting signatures on initiative or referendum petitions, and the amount of compensation;
- information about creditors owed more than \$250, or more than \$50 for more than 30 days;
- the surplus or deficit of contributions over expenditures;
- information about the disposition of any surplus funds; and
- any other information that may be required by rule.

Foreign Agents Registration Act. The federal Foreign Agents Registration Act, enacted in 1938, requires persons acting as agents of foreign entities in a political or quasi-political capacity, such as lobbying, to make periodic disclosure of their relationship with the foreign entity. Agents of foreign entities must also disclose activities conducted on behalf of the foreign entity, receipts and disbursements in support of those activities. Foreign nationals are prohibited from contributing to federal campaigns.

**Summary of Bill:** Each C-4 report must contain a certification from each corporation making a contribution to the filer that the corporation's ownership comprises less than 50 percent foreign nationals.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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