3

6

7

8 9

10

16

17

18

19

20

## SENATE BILL 6075

State of Washington 65th Legislature 2018 Regular Session

By Senators Palumbo, Billig, Rolfes, Mullet, Carlyle, Hunt, Conway, Kuderer, and Hasegawa

Prefiled 01/04/18. Read first time 01/08/18. Referred to Committee on State Government, Tribal Relations & Elections.

- AN ACT Relating to disclosure of contributors to online political advertising; and amending RCW 42.17A.235 and 42.17A.320.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

- 4 **Sec. 1.** RCW 42.17A.235 and 2015 c 54 s 1 are each amended to 5 read as follows:
  - (1) In addition to the information required under RCW 42.17A.205 and 42.17A.210, on the day the treasurer is designated, each candidate or political committee must file with the commission a report of all contributions received and expenditures made prior to that date, if any.
- 11 (2) Each treasurer shall file with the commission a report 12 containing the information required by RCW 42.17A.240 at the 13 following intervals:
- 14 (a) On the twenty-first day and the seventh day immediately 15 preceding the date on which the election is held;
  - (b) On the tenth day of the first month after the election; and
  - (c) On the tenth day of each month in which no other reports are required to be filed under this section only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total

p. 1 SB 6075

expenditures made since the last such report exceed two hundred dollars.

The report filed twenty-one days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. The report filed seven days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. Reports filed on the tenth day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.

- (3) For the period beginning the first day of the fourth month preceding the date of the special election, or for the period beginning the first day of the fifth month before the date of the general election, and ending on the date of that special or general election, each Monday the treasurer shall file with the commission a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds and the amount contributed by each person. However, persons who contribute no more than twenty-five dollars in the aggregate are not required to be identified in the report. A copy of the report shall be retained by the treasurer for his or her records. In the event of deposits made by a deputy treasurer, the copy shall be forwarded to the treasurer for his or her records. Each report shall be certified as correct by the treasurer or deputy treasurer making the deposit.
- (4)(a) The treasurer or candidate shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the eight days immediately preceding the date of the election the books of account shall be kept current within one business day. As specified in the committee's statement of organization filed under RCW 42.17A.205, the books of account must be open for public inspection by appointment at the designated place for inspections between 8:00 a.m. and 8:00 p.m. on any day from the eighth day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday. It is a violation of this chapter for a candidate or political committee to refuse to allow and keep an appointment for an inspection to be conducted during these authorized times and days. The appointment

p. 2 SB 6075

1 must be allowed at an authorized time and day for such inspections 2 that is within twenty-four hours of the time and day that is 3 requested for the inspection.

- (b) At the time of making the appointment, a person wishing to inspect the books of account must provide the treasurer the name and telephone number of the person wishing to inspect the books of account. The person inspecting the books of account must show photo identification before the inspection begins.
- 9 (c) A treasurer may refuse to show the books of account to any 10 person who does not make an appointment or provide the required 11 identification.
  - (d) Any social media site must make available records of purchasers of small online advertising supporting or opposing a candidate or ballot measure in Washington state or otherwise directed at Washington state users of the social media site upon request by any person.
  - (5) Copies of all reports filed pursuant to this section shall be readily available for public inspection by appointment, pursuant to subsection (4) of this section, at the principal headquarters or, if there is no headquarters, at the address of the treasurer or such other place as may be authorized by the commission.
  - (6) The treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred.
  - (7) All reports filed pursuant to subsection (1) or (2) of this section shall be certified as correct by the candidate and the treasurer.
  - (8) When there is no outstanding debt or obligation, the campaign fund is closed, and the campaign is concluded in all respects or in the case of a political committee, the committee has ceased to function and has dissolved, the treasurer shall file a final report. Upon submitting a final report, the duties of the treasurer shall cease and there is no obligation to make any further reports.
- **Sec. 2.** RCW 42.17A.320 and 2013 c 138 s 1 are each amended to 36 read as follows:
- 37 (1) All written political advertising, whether relating to 38 candidates or ballot propositions, shall include the sponsor's name 39 and address. All radio and television political advertising, whether

p. 3 SB 6075

- 1 relating to candidates or ballot propositions, shall include the sponsor's name. The use of an assumed name for the sponsor of 2 electioneering communications, independent expenditures, 3 political advertising ((shall be)), or small online political 4 advertising is unlawful. For partisan office, if a candidate has 5 6 expressed a party or independent preference on the declaration of 7 candidacy, that party or independent designation shall be clearly in electioneering communications, 8 identified independent expenditures, or political advertising. 9
  - (2) In addition to the information required by subsection (1) of this section, except as specifically addressed in subsections (4) and (5) of this section, all political advertising undertaken as an independent expenditure or an electioneering communication by a person or entity other than a bona fide political party must include as part of the communication:

10 11

12

13

14

15

18

19

20

21

22

23

2425

26

27

28

31

32

33

3435

36

37

- 16 (a) The statement: "No candidate authorized this ad. It is paid 17 for by (name, address, city, state)";
  - (b) If the sponsor is a political committee, the statement: "Top Five Contributors," followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement or communication; and
  - (c) If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity.
- 29 (3) The information required by subsections (1) and (2) of this 30 section shall:
  - (a) Appear on the first page or fold of the written advertisement or communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written advertisement or communication directed at more than one voter, such as a billboard or poster, whichever is larger;
    - (b) Not be subject to the half-tone or screening process; and
    - (c) Be set apart from any other printed matter.
- (4) (4) (a) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual image, the following statement must either be

p. 4 SB 6075

clearly spoken, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background: "No candidate authorized this ad. Paid for by (name, city, state)."

- (b) If the advertisement or communication is undertaken by a nonindividual other than a party organization, then the following notation must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public.
- (c) Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.
- (5) The following statement shall be clearly spoken in an independent expenditure or electioneering communication transmitted by a method that does not include a visual image: "No candidate authorized this ad. Paid for by (name, city, state)." If the independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following statement must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.
- (6) Political advertising costing one thousand dollars or more supporting or opposing ballot measures sponsored by a political committee must include the information on the "Top Five Contributors" consistent with subsections (2), (4), and (5) of this section. A series of political advertising sponsored by the same political committee, each of which is under one thousand dollars, must include the "Top Five Contributors" information required by this section once their cumulative value reaches one thousand dollars or more.
- (7) Political yard signs are exempt from the requirements of this section that the sponsor's name and address, and "Top Five

p. 5 SB 6075

- 1 Contributor" information, be listed on the advertising. In addition,
- 2 the public disclosure commission shall, by rule, exempt from the
- 3 identification requirements of this section forms of political
- 4 advertising such as campaign buttons, balloons, pens, pencils, sky-
- 5 writing, inscriptions, and other forms of advertising where
- 6 identification is impractical.
- 7 (8) For the purposes of this section, "yard sign" means any 8 outdoor sign with dimensions no greater than eight feet by four feet.

--- END ---

p. 6 SB 6075