
ENGROSSED SUBSTITUTE HOUSE BILL 1379

State of Washington

66th Legislature

2019 Regular Session

By House State Government & Tribal Relations (originally sponsored by Representatives Pellicciotti, Hudgins, Appleton, Gregerson, Pollet, Macri, Valdez, Kloba, Bergquist, Tarleton, Doglio, Frame, Goodman, Reeves, and Fey)

READ FIRST TIME 02/05/19.

1 AN ACT Relating to disclosure of contributions from political
2 committees to other political committees; amending RCW 42.17A.320;
3 adding a new section to chapter 42.17A RCW; and creating a new
4 section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the public has
7 the right to know who is contributing to election campaigns in
8 Washington state and that campaign finance disclosure deters
9 corruption, increases public confidence in Washington state
10 elections, raises the level of debate, and strengthens our
11 representative democracy.

12 The legislature finds that campaign finance disclosure is
13 overwhelmingly supported by the citizens of Washington state as
14 evidenced by the two initiatives that largely established
15 Washington's current system. Both passed with more than seventy-two
16 percent of the popular vote, as well as winning margins in every
17 county in the state.

18 One of the cornerstones of Washington state's campaign finance
19 disclosure laws is the requirement that political advertisements
20 disclose the sponsor and the sponsor's top five donors. Many
21 political action committees have avoided this important transparency

1 requirement by funneling money from political action committee to
2 political action committee so the top five donors listed are
3 deceptive political action committee names rather than the real
4 donors. The legislature finds that this practice, sometimes called
5 "gray money" or "donor washing," undermines the intent of Washington
6 state's campaign finance laws and impairs the transparency required
7 for fair elections and a healthy democracy.

8 Therefore, the legislature intends to close this disclosure
9 loophole, increase transparency and accountability, raise the level
10 of discourse, deter corruption, and strengthen confidence in the
11 election process by prohibiting political committees from receiving
12 an overwhelming majority of their funds from one or a combination of
13 political committees.

14 NEW SECTION. **Sec. 2.** A new section is added to chapter 42.17A
15 RCW to read as follows:

16 (1) For any requirement to include the top five contributors
17 under RCW 42.17A.320 or any other provision of this chapter, the
18 sponsor must identify the five persons or entities making the largest
19 contributions to the sponsor in excess of one thousand dollars
20 reportable under this chapter during the twelve-month period
21 preceding the date on which the advertisement is initially to be
22 published or otherwise presented to the public.

23 (2) If one or more of the top five contributors identified under
24 subsection (1) of this section is a political committee, the top
25 three contributors to each of those political committees during the
26 same period must then be identified. Of those contributors to
27 political committees, the sponsor must identify the three persons or
28 entities who made the largest contributions in excess of one thousand
29 dollars reportable under this chapter during the same period. The
30 names of those top three persons or entities must be displayed in the
31 advertisement alongside the statement "Top Three Donors to PAC
32 Contributors."

33 (3) Contributions to the sponsor that are earmarked, tracked, and
34 used for purposes other than the advertisement in question should not
35 be counted in identifying the top five contributors under subsection
36 (1) of this section or the top three donors under subsection (2) of
37 this section.

38 (4) The sponsor shall not be liable for a violation of this
39 section that occurs because the persons or entities making the

1 largest contributions to any political committee identified under
2 subsection (1) of this section have not reported those contributions
3 to the commission.

4 (5) The commission is authorized to adopt rules, as needed, to
5 prevent circumvention and effectuate the purposes of the top five
6 contributors and top three donors disclaimers, which are intended to
7 inform voters about the individuals and entities sponsoring political
8 advertisements.

9 **Sec. 3.** RCW 42.17A.320 and 2013 c 138 s 1 are each amended to
10 read as follows:

11 (1) All written political advertising, whether relating to
12 candidates or ballot propositions, shall include the sponsor's name
13 and address. All radio and television political advertising, whether
14 relating to candidates or ballot propositions, shall include the
15 sponsor's name. The use of an assumed name for the sponsor of
16 electioneering communications, independent expenditures, or political
17 advertising shall be unlawful. For partisan office, if a candidate
18 has expressed a party or independent preference on the declaration of
19 candidacy, that party or independent designation shall be clearly
20 identified in electioneering communications, independent
21 expenditures, or political advertising.

22 (2) In addition to the information required by subsection (1) of
23 this section, except as specifically addressed in subsections (4) and
24 (5) of this section, all political advertising undertaken as an
25 independent expenditure or an electioneering communication by a
26 person or entity other than a bona fide political party must include
27 as part of the communication:

28 (a) The statement: "No candidate authorized this ad. It is paid
29 for by (name, address, city, state)";

30 (b) If the sponsor is a political committee, the statement: "Top
31 Five Contributors," followed by a listing of the names of the five
32 persons or entities making the largest contributions (~~in excess of~~
33 ~~seven hundred dollars reportable under this chapter during the~~
34 ~~twelve-month period before the date of the advertisement or~~
35 ~~communication~~) as determined by section 2(1) of this act; and if
36 necessary under section 2(2) of this act, the statement "Top Three
37 Donors to PAC Contributors," followed by a listing of the names of
38 the three persons or entities making the largest contributions to
39 political committees as determined by section 2(2) of this act; and

1 (c) If the sponsor is a political committee established,
2 maintained, or controlled directly, or indirectly through the
3 formation of one or more political committees, by an individual,
4 corporation, union, association, or other entity, the full name of
5 that individual or entity.

6 (3) The information required by subsections (1) and (2) of this
7 section shall:

8 (a) Appear on the first page or fold of the written advertisement
9 or communication in at least ten-point type, or in type at least ten
10 percent of the largest size type used in a written advertisement or
11 communication directed at more than one voter, such as a billboard or
12 poster, whichever is larger;

13 (b) Not be subject to the half-tone or screening process; and

14 (c) Be set apart from any other printed matter. No text may be
15 before, after, or immediately adjacent to the information required by
16 subsections (1) and (2) of this section.

17 (4) In an independent expenditure or electioneering communication
18 transmitted via television or other medium that includes a visual
19 image, the following statement must either be clearly spoken, or
20 appear in print and be visible for at least four seconds, appear in
21 letters greater than four percent of the visual screen height on a
22 solid black background on the entire bottom one-third of the
23 television or visual display screen, or bottom one-fourth of the
24 screen if the sponsor does not have or is otherwise not required to
25 list its top five contributors, and have a reasonable color contrast
26 with the background: "No candidate authorized this ad. Paid for by
27 (name, city, state)." If the advertisement or communication is
28 undertaken by a nonindividual other than a party organization, then
29 the following notation must also be included: "Top Five Contributors"
30 followed by a listing of the names of the five persons or entities
31 making the largest contributions (~~in excess of seven hundred dollars~~
32 ~~reportable under this chapter during the twelve-month period~~
33 ~~preceding the date on which the advertisement is initially published~~
34 ~~or otherwise presented to the public)) as determined by section 2(1)
35 of this act; and if necessary under section 2(2) of this act, the
36 statement "Top Three Donors to PAC Contributors," followed by a
37 listing of the names of the three persons or entities making the
38 largest contributions to political committees as determined by
39 section 2(2) of this act. Abbreviations may be used to describe~~

1 contributing entities if the full name of the entity has been clearly
2 spoken previously during the broadcast advertisement.

3 (5) The following statement shall be clearly spoken in an
4 independent expenditure or electioneering communication transmitted
5 by a method that does not include a visual image: "No candidate
6 authorized this ad. Paid for by (name, city, state)." If the
7 independent expenditure or electioneering communication is undertaken
8 by a nonindividual other than a party organization, then the
9 following statement must also be included: "Top Five Contributors"
10 followed by a listing of the names of the five persons or entities
11 making the largest contributions (~~(in excess of seven hundred dollars~~
12 ~~reportable under this chapter during the twelve-month period~~
13 ~~preceding the date on which the advertisement is initially published~~
14 ~~or otherwise presented to the public)) as determined by section 2(1)
15 of this act; and if necessary under section 2(2) of this act, the
16 statement "Top Three Donors to PAC Contributors," followed by a
17 listing of the names of the three persons or entities making the
18 largest contributions to political committees as determined by
19 section 2(2) of this act. Abbreviations may be used to describe
20 contributing entities if the full name of the entity has been clearly
21 spoken previously during the broadcast advertisement.~~

22 (6) Political advertising costing one thousand dollars or more
23 supporting or opposing ballot measures sponsored by a political
24 committee must include the information on the (~~"Top Five~~
25 ~~Contributors" consistent with subsections (2), (4), and (5) of this~~
26 ~~section)) top five contributors and top three donors to political
27 committee contributors as required by section 2 of this act. A series
28 of political advertising sponsored by the same political committee,
29 each of which is under one thousand dollars, must include the (~~"Top~~
30 ~~Five Contributors" information required by this section)) top five
31 contributors and top three donors to political committee contributors
32 as required by section 2 of this act once their cumulative value
33 reaches one thousand dollars or more.~~~~

34 (7) Political yard signs are exempt from the requirements of this
35 section that the sponsor's name and address, and (~~"Top Five~~
36 ~~Contributor" information)) the top five contributors and top three
37 donors to PAC contributors as required by section 2 of this act, be
38 listed on the advertising. In addition, the public disclosure
39 commission shall, by rule, exempt from the identification
40 requirements of this section forms of political advertising such as~~

1 campaign buttons, balloons, pens, pencils, sky-writing, inscriptions,
2 and other forms of advertising where identification is impractical.
3 (8) For the purposes of this section, "yard sign" means any
4 outdoor sign with dimensions no greater than eight feet by four feet.

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