
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 of including "top five contributors"
17 information under RCW 42.17A.320 or any other provision of this
18 chapter, the persons or entities making the largest contributions
19 shall be determined solely as follows:

20 (a) The sponsor must first identify the five persons or entities
21 making the largest contributions in excess of one thousand dollars
22 reportable under this chapter during the twelve-month period
23 preceding the date on which the advertisement is initially to be
24 published or otherwise presented to the public;

25 (b) For any political committee that qualifies as one of the top
26 five contributors identified under (a) of this subsection, the top
27 five contributors to that political committee during the same period
28 must then be identified, and so on, until the individuals or entities
29 other than political committees that have contributed the most to all
30 political committees involved with the advertisement have been
31 identified; and

32 (c) The sponsor's advertisement must then list the top five
33 individuals or entities other than political committees contributing
34 in excess of one thousand dollars and making the largest aggregate
35 contributions among all those identified under (a) and (b) of this
36 subsection.

37 (2) Contributions to the sponsor that are earmarked, tracked, and
38 used for purposes other than the advertisement in question should not

1 be counted in identifying the top five contributors under subsection
2 (1) of this section.

3 (3) The sponsor shall not be liable for a violation of this
4 section where the persons or entities making the largest
5 contributions to the advertisement fail to report to the commission
6 contributions to the sponsor.

7 (4) The commission is authorized to adopt rules, as needed, to
8 prevent circumvention and effectuate the purposes of top five
9 contributors information requirements, which are intended to inform
10 voters about the individuals and entities sponsoring political
11 advertisements.

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

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

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

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

33 (b) If the sponsor is a political committee, the statement: "Top
34 Five Contributors," followed by a listing of the names of the five
35 persons or entities making the largest contributions (~~in excess of~~
36 ~~seven hundred dollars reportable under this chapter during the~~
37 ~~twelve-month period before the date of the advertisement or~~
38 ~~communication~~) as determined by section 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 of
35 this act. Abbreviations may be used to describe contributing entities
36 if the full name of the entity has been clearly spoken previously
37 during the broadcast advertisement.~~

38 (5) The following statement shall be clearly spoken in an
39 independent expenditure or electioneering communication transmitted
40 by a method that does not include a visual image: "No candidate

1 authorized this ad. Paid for by (name, city, state)." If the
2 independent expenditure or electioneering communication is undertaken
3 by a nonindividual other than a party organization, then the
4 following statement must also be included: "Top Five Contributors"
5 followed by a listing of the names of the five persons or entities
6 making the largest contributions (~~(in excess of seven hundred dollars~~
7 ~~reportable under this chapter during the twelve-month period~~
8 ~~preceding the date on which the advertisement is initially published~~
9 ~~or otherwise presented to the public)) as determined by section 2 of
10 this act. Abbreviations may be used to describe contributing entities
11 if the full name of the entity has been clearly spoken previously
12 during the broadcast advertisement.~~

13 (6) Political advertising costing one thousand dollars or more
14 supporting or opposing ballot measures sponsored by a political
15 committee must include the information on the "Top Five Contributors"
16 consistent with subsections (2), (4), and (5) of this section. A
17 series of political advertising sponsored by the same political
18 committee, each of which is under one thousand dollars, must include
19 the "Top Five Contributors" information required by this section once
20 their cumulative value reaches one thousand dollars or more.

21 (7) Political yard signs are exempt from the requirements of this
22 section that the sponsor's name and address, and "Top Five
23 Contributor" information, be listed on the advertising. In addition,
24 the public disclosure commission shall, by rule, exempt from the
25 identification requirements of this section forms of political
26 advertising such as campaign buttons, balloons, pens, pencils, sky-
27 writing, inscriptions, and other forms of advertising where
28 identification is impractical.

29 (8) For the purposes of this section, "yard sign" means any
30 outdoor sign with dimensions no greater than eight feet by four feet.

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