

SENATE BILL REPORT

HB 1317

As Reported by Senate Committee On:
State Government & Elections, March 24, 2023

Title: An act relating to improving transparency in grassroots lobbying disclosure.

Brief Description: Concerning grassroots lobbying disclosure.

Sponsors: Representatives Pollet and Gregerson; by request of Public Disclosure Commission.

Brief History: Passed House: 3/8/23, 65-32.

Committee Activity: State Government & Elections: 3/21/23, 3/24/23 [DPA, DNP].

Brief Summary of Amended Bill

- Requires expedited registration from grassroots lobbying campaigns.
- Requires additional donor information for contributions above \$25 to grassroots lobbying campaigns from general treasury funds or special solicitations.
- Requires Top Five donor disclosure on grassroots lobbying advertisements.

SENATE COMMITTEE ON STATE GOVERNMENT & ELECTIONS

Majority Report: Do pass as amended.

Signed by Senators Hunt, Chair; Valdez, Vice Chair; Hasegawa and Kuderer.

Minority Report: Do not pass.

Signed by Senators Wilson, J., Ranking Member; Dozier and Fortunato.

Staff: Samuel Brown (786-7470)

Background: Grassroots Lobbying Campaigns. Grassroots lobbying is a program

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addressed to the general public, a substantial portion of which is intended, designed, or calculated primarily to influence state legislation. Any person or entity making grassroots lobbying expenditures not reported by a registered lobbyist, a candidate, or a political committee of over \$700 in the aggregate in a one-month period, or over \$1,400 in the aggregate in any three-month period, must file a grassroots lobbying report with the Public Disclosure Commission (PDC).

Grassroots lobbying campaigns must file an initial report within 30 days of becoming a sponsor of a grass roots lobbying campaign, and monthly reports on the 10th of each month until the campaign ends. Registration and reports must include the names, addresses, and businesses or occupations of all sponsors, organizers, and managers, the names and addresses of all contributors of \$25 or more to the campaign, the campaign's purpose, including specific legislation the campaign is intending to influence, and the values of all of the campaign's expenditures.

Top Five Donor Disclosures. Political advertising sponsored by a political committee, defined as an organization where one of its primary purposes is to affect governmental decision-making by supporting or opposing candidates or ballot measures, must include a list of the top five contributors of at least \$1,000 to the sponsor in the previous 12 months. If any of the top five listed contributors is a political committee, the sponsor must also identify the top three contributors other than political committees that gave more than \$1,000 to any of those committees during the same period. Collectively, these requirements are referred to as the "Top Five" donor disclosure requirements.

For print ads and websites, sponsor information cannot be in screened or half-tone text, must be displayed on the first page or fold of a multipage or multifold ad and be in at least 10-point font, or a font size that is at least 10 percent of the largest size type used in the ad for billboards and posters. For advertising on television or via mediums that include visual images or audio, the sponsor information must be visible for at least four seconds, in a font size that is more than 4 percent of the visual screen height, on a solid black background with the font being a reasonable color contrast to the background, and on the entire bottom one-third of the television or visual or bottom one-fourth of the screen if the sponsor does not have or is otherwise not required to list its top five contributors. Sponsor information must be clearly spoken on audio advertisements.

Summary of Amended Bill: Registration Requirements. Sponsors of grassroots lobbying campaigns must register with PDC:

- if between 30 days before the start of a regular or scheduled special legislative session and final adjournment, within 24 hours of the campaign's first public presentation; or
- at all other times, within five days of the campaign's first public presentation.

The grassroots lobbying campaign's registration must disclose:

- the employer for each person controlling, organizing, or managing the campaign;
- the name and address of each entity contributing at least \$25 in general treasury funds

- to the campaign; and
- the occupation and employer of each person contributing at least \$25 to the campaign from a special solicitation.

Advertising Disclosures. All advertising or mass communications undertaken by a grassroots lobbying campaign must include the sponsor's name and, for written communications, address. Any advertising undertaken by a grassroots campaign costing \$1,000 or more must comply with the Top Five donor disclosure requirements.

EFFECT OF STATE GOVERNMENT & ELECTIONS COMMITTEE AMENDMENT(S):

- The spelling of "grass roots" is changed in the bill title to match the bill language.

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.

Staff Summary of Public Testimony on House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This closes a loophole where someone can spend hundreds of thousands of dollars running a campaign to influence legislation, putting ads out, without disclosure of who the sponsor is, or filing a report with the PDC until long after the Legislature has acted or not acted based on the influence campaign. The triggers and limits in the bill are reasonable and only apply after spending quite a bit of money and staff time to influence legislation. The public has a right to know who's financing communications on legislation and rulemaking.

CON: Thresholds in the bill of spending where disclosure is required should be raised. This bill was clearly written by people who think all grassroots lobbying is the same and didn't take into account the safety of people in marginalized communities, including domestic violence victims, who could be subject to harm. People shouldn't have to face being doxxed, threatened, or harassed to participate in political processes.

OTHER: While I fully support the bill's transparency goals, the requirements for disclosure of the employer for all donors of over \$25 risks creating a chilling effect on grassroots activism across the political spectrum. Workers with positions on bills different from their employers would be put at risk, as would victims of domestic violence and stalking.

Persons Testifying: PRO: Representative Gerry Pollet, Prime Sponsor; Cindy Madigan, League of Women Voters Washington.

CON: Maya Morales, WA People's Privacy.

OTHER: Jonathan Pincus.

Persons Signed In To Testify But Not Testifying: No one.