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**State Government & Tribal Relations  
Committee**

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**HB 1379**

**Brief Description:** Concerning disclosure of contributions from political committees to other political committees.

**Sponsors:** Representatives Pellicciotti, Hudgins, Appleton, Gregerson, Pollet, Macri, Valdez and Kloba.

**Brief Summary of Bill**

- Modifies the method for determining the top five contributors that political committees must disclose in certain political advertisements.
- Adds specificity to certain display requirements for all required disclosures in political advertisements, including disclosure of the top five contributors.

**Hearing Date:** 1/25/19

**Staff:** Jason Zolle (786-7124).

**Background:**

The Fair Campaign Practices Act requires political advertisements to include certain disclosures. Advertisements are considered political if they are used for the purpose of appealing for votes, donations, or other support or opposition in an election campaign for a candidate or ballot proposition.

Political advertisements on the radio or television must include the sponsor's name, and written ads must include the sponsor's name and address. It is illegal for the sponsor to use an assumed name.

Additional disclosure requirements apply when the advertisement is an independent expenditure or an electioneering communication sponsored by a person or entity other than a political party.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

When applied to advertisements, an independent expenditure is, generally speaking, an advertisement supporting or opposing a candidate that is sponsored by a person who does not have the candidate's approval to make the advertisement and is worth at least \$500 or \$1000 (depending on the office). An electioneering communication is, generally speaking, an advertisement run within 60 days of an election that clearly identifies a candidate for office and is worth at least \$1000. These advertisements must include the statement "No candidate authorized this advertisement. It is paid for by [the sponsor's name and address]."

If the sponsor is a political committee—that is, a person or entity other than a candidate who receives contributions to spend money in support of, or in opposition to, any candidate or ballot proposition—the advertisement must include a statement disclosing the committee's top five contributors. The top five contributors are the five persons or entities that made the largest contributions to the committee totaling over \$700 during the 12 months before the date of the advertisement. In addition, a political committee that was established or controlled by an individual or entity must disclose the full name of that individual or entity in the ad.

Political advertising by a political committee that supports or opposes ballot measures must also include information about the top five contributors if the advertisement costs \$1000 or more.

In a written political advertisement, all required disclosures must:

- appear on the first page or fold;
- be in at least 10-point size type, or be at least 10 percent of the largest type used in the advertisement, whichever is larger;
- use continuous tone rather than half tone printing; and
- be set apart from any other printed matter.

In a television or other video advertisement, all required disclosures must:

- be clearly spoken; or
- appear in large print for at least four seconds in letters greater than 4 percent of the visual screen height, with a reasonable color contrast with the background.

### **Summary of Bill:**

The method for determining the top five contributors that must be disclosed in certain political advertisements by political committees is modified.

First, the sponsor must identify the five persons or entities that made the largest contributions totaling \$700 or more to the sponsor within the 12 months before the advertisement is debuted. If any of those five persons or entities is a political committee, the sponsor must then identify the five persons or entities that made the largest contributions of \$700 or more to *those* political committees in the preceding 12 months. Again, if any of those five persons or entities is a political committee, the process continues, until the sponsor has identified the top five persons or entities *other than* political committees that have contributed the most to all political committees involved with the advertisement. Any of those top five persons or entities that contributed more than \$700 total in the previous year must be disclosed. In this process of identifying the top five contributors, contributions that are earmarked, tracked, and used for purposes other than the advertisement at issue are not counted.

The Public Disclosure Commission (PDC) is authorized to adopt rules to prevent circumvention of the top five contributors disclosure requirement and to effectuate its purposes. A sponsor is not liable for miscalculating the top five contributors because the persons or entities making the largest contributions failed to report their contributions to the PDC.

Certain visual display requirements for all necessary disclosures are also made more specific. In a written advertisement, no text may be before, after, or immediately adjacent to any required disclosures. In a television or other video advertisement, all required disclosures must appear on a solid black background that takes up the entire bottom one-third of the screen—or if listing the top five contributors is not required, the bottom one-fourth of the screen.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.