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**State Government, Elections &  
Information Technology Committee**

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**HB 1807**

**Brief Description:** Increasing transparency of contributions by creating the Washington state DISCLOSE act of 2017.

**Sponsors:** Representatives Pellicciotti, Hudgins, Riccelli, Orwall, Kirby, Macri, Pollet, Appleton, Wylie, Fitzgibbon, Sawyer, Frame, Lovick, Reeves, Slatter, Chapman, Ryu, Kagi, Doglio, Ortiz-Self, McBride, Farrell, Ormsby and Bergquist.

**Brief Summary of Bill**

- Requires certain nonprofit organizations to report to the Public Disclosure Commission on its top contributors and its expenditures to political campaigns or groups.

**Hearing Date:** 2/7/17

**Staff:** Sean Flynn (786-7124).

**Background:**

Washington's campaign finance and disclosure law originally was enacted by voter initiative in 1972. The law requires the disclosure of campaign finance activity, lobbyist activity, and financial affairs of elective officers and candidates. The Public Disclosure Commission (PDC) enforces the provisions of the campaign finance disclosure law and has authority to develop procedures, adopt rules, investigate complaints, and impose civil penalties for violations.

The campaign finance and disclosure law requires all political committees, entities organized to receive contributions and make expenditures to political campaigns, to file a statement of organization with the PDC. The statement requires the disclosure of certain information, including the names and addresses of committee members, officers or leaders, treasurer, as well as which candidates and ballot measures the committee supports or opposes.

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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.*

Political committees must periodically report to the PDC on their contribution and expenditure activities. An initial report is due the same day the statement of organization is filed. Subsequent reports are due 21 days and seven days before the election, one month after the election, and each month the committee receives or spends at least \$200. A political committee also must submit a special report each time it receives a contribution of \$1,000 or more during the period within 21 days before an election or between the period after the last report has been filed before the primary.

### **Summary of Bill:**

An incidental committee is defined as any nonprofit organization that makes contributions or expenditures to support or oppose any candidate or ballot measure in state elections. The definition excludes tax-exempt political organizations registered under the federal tax code that report on political activities, or any organization that already reports to the PDC as a registered lobbyist.

An incidental committee is subject to certain reporting requirements under the campaign finance and disclosure law. An incidental committee must file a statement of organization with the PDC within two weeks after either:

- expecting to make contributions or expenditures of at least \$25,000 in a calendar year to an election campaign, political committee, or incidental committee; or
- receiving contributions from one of its top 10 contributors over \$10,000 or
- receiving an aggregate contribution from a single source of at least \$100,000 within a calendar year.

After filing its statement of organization, the incidental committee must report to the PDC on its contribution and expenditure activities. The first report is filed with its statement of organization. Other reports are due 21 days and seven days before the election, and one month after the election.

Each report must disclose the following information:

- the top 10 largest contributors that exceed an aggregate of \$10,000 in a calendar year,
- any single large contributor of \$100,000 per year, and
- any expenditure of \$50 or more made to an election campaign, political committee, or other incidental committee.

Incidental committees must file an additional report if there are any changes within the top 10 contributors or any single large contributor, as well as any political expenditures that exceed \$200 in the period since its last report. The PDC may suspend or modify the reporting requirements of contributions to an incidental committee in cases of manifestly unreasonable hardship.

The PDC must include a link on its website to the Federal Election Committee's searchable database of political organizations registered under the federal tax code. The contribution reports on the PDC website must link to lobbying disclosure reports of specific contributors who have filed such reports.

**Appropriation:** None.

**Fiscal Note:** Available.

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