SENATE BILL REPORT SB 6075

As Reported by Senate Committee On: State Government, Tribal Relations & Elections, February 2, 2018

Title: An act relating to disclosure of contributors to online political advertising.

Brief Description: Concerning disclosure of contributors to online political advertising.

Sponsors: Senators Palumbo, Billig, Rolfes, Mullet, Carlyle, Hunt, Conway, Kuderer and Hasegawa.

Brief History:

Committee Activity: State Government, Tribal Relations & Elections: 1/31/18, 2/02/18 [DPS].

Brief Summary of First Substitute Bill

- Clarifies that small online political advertising must include the sponsor's name.
- Allows commercial advertisers to post information in books of account online, and sets a timeline delivery of information in books of account to the Public Disclosure Commission (PDC) when requested.

SENATE COMMITTEE ON STATE GOVERNMENT, TRIBAL RELATIONS & ELECTIONS

Majority Report: That Substitute Senate Bill No. 6075 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hunt, Chair; Kuderer, Vice Chair; Miloscia, Ranking Member; Saldaña and Zeiger.

Staff: Samuel Brown (786-7470)

Background: The PDC. The PDC was created by the passage of Initiative 276 in 1972. The PDC is empowered to provide timely public access to information about the financing of political campaigns, lobbyist expenditures, and the financial affairs of public officials and candidates, and to ensure compliance with contribution limits and other campaign finance restrictions.

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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.

<u>Political Advertising Disclosure.</u> All written political advertising must include the sponsor's name and address. Broadcasted political advertising must include the sponsor's name. All electioneering communications and political advertising undertaken as an independent expenditure by a person or entity other than a party organization must include a statement indicating that the advertisement is not authorized by any candidate, and information about who paid for the advertisement. Small online advertising, defined as advertising where character or size limits make full compliance with these requirements impractical, may provide this information by an automatic display.

<u>Commercial Advertisers.</u> Commercial advertisers provide the service of communicating messages to the public through any of a number of media. Any commercial advertiser which accepts or provides political advertising or electioneering communications must maintain books of account, which must specify:

- sponsor names and addresses;
- the exact nature and extent of services rendered; and
- the total cost and manner of payment for services.

This information must be delivered to the PDC on request, and open for public inspection during regular business hours during the campaign, and for at least three years after the election.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (First Substitute): <u>Small Online Advertising.</u> Small online political advertising must include the sponsor's name. The PDC may specify alternative methods for providing additional required disclosures. Internet or digital communications may be considered electioneering communications.

<u>Commercial Advertisers.</u> Internet platforms are defined as commercial advertisers. A commercial advertiser may post the information in its books of account on an easily accessible public website rather than at its physical office. When requested, a commercial advertiser must deliver the information in its books of account to the PDC within five days of receipt of the request, or within 24 hours for advertisements circulated within 21 days of an election.

Appropriation: None.

Fiscal Note: Available.

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 First Substitute: OTHER: Digital platforms are inherently different and are not necessarily aware of what is a political advertisement in the context of billions of posted items. The burden should be on the advertiser to identify themselves as such.

Persons Testifying: OTHER: Rose Feliciano, Internet Association.

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

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