## <u>2ESSB 5284</u> - H AMD **1149**

By Representative Ramos

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 42.17A.418 and 2020 c 152 s 10 are each amended to 4 read as follows:
- (1) Each candidate or political committee that has accepted ((a 5 contribution)) one or more contributions that total at least \$2,500 6 7 in the aggregate, and each out-of-state committee that has accepted ((a contribution)) one or more contributions reportable under RCW 8 42.17A.250 that total at least \$2,500 in the aggregate, from a 9 partnership, association, corporation, organization, or other 10 11 combination of persons must receive a certification from ((each)) the 12 contributor that:
- 13 (a) The ((contribution is)) contributions are not financed in any 14 part by a foreign national; and
- 15 (b) Foreign nationals are not involved in making decisions 16 regarding the contributions in any way.
- 17 (2) The certifications must be maintained for a period of no less 18 than three years after the date of the applicable election.
- 19 (3) At the request of the commission, each candidate or committee 20 required to comply with subsection (1) of this section must provide 21 to the commission copies of the certifications maintained under this 22 section.
- 23 **Sec. 2.** RCW 42.17A.240 and 2020 c 152 s 3 are each amended to 24 read as follows:
- Each report required under RCW 42.17A.235 (1) through (4) must be certified as correct by the treasurer and the candidate and shall disclose the following, except an incidental committee only must disclose and certify as correct the information required under subsections (2) (d) and (7) of this section:
- 30 (1) The funds on hand at the beginning of the period;

- (2) The name and address of each person who has made one or more contributions during the period, together with the money value and date of each contribution and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with the following exceptions:
- (a) Pledges in the aggregate of less than one hundred dollars from any one person need not be reported;
- (b) Income that results from a fund-raising activity conducted in accordance with RCW 42.17A.230 may be reported as one lump sum, with the exception of that portion received from persons whose names and addresses are required to be included in the report required by RCW 42.17A.230;
- (c) Contributions of no more than twenty-five dollars in the aggregate from any one person during the election campaign may be reported as one lump sum if the treasurer maintains a separate and private list of the name, address, and amount of each such contributor;
- (d) Payments received by an incidental committee from any one person need not be reported unless the person is one of the committee's ten largest sources of payments received, including any persons tied as the tenth largest source of payments received, during the current calendar year, and the value of the cumulative payments received from that person during the current calendar year is ten thousand dollars or greater. For payments to incidental committees from multiple persons received in aggregated form, any payment of more than ten thousand dollars from any single person must be reported, but the aggregated payment itself may not be reported. The commission may suspend or modify reporting requirements for payments received by an incidental committee in cases of manifestly unreasonable hardship under this chapter;
- (e) Payments from private foundations organized under section 501(c)(3) of the internal revenue code to an incidental committee do not have to be reported if:
- (i) The private foundation is contracting with the incidental committee for a specific purpose other than election campaign purposes;
- 38 (ii) Use of the funds for election campaign purposes is 39 explicitly prohibited by contract; and

1 (iii) Funding from the private foundation represents less than 2 twenty-five percent of the incidental committee's total budget;

- (f) Commentary or analysis on a ballot proposition by an incidental committee is not considered a contribution if it does not advocate specifically to vote for or against the ballot proposition; and
- (g) The money value of contributions of postage is the face value of the postage;
  - (3) Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, including the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;
    - (4) All other contributions not otherwise listed or exempted;
  - (5) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making ((a contribution)) one or more contributions to the candidate or political committee that total at least \$2,500 in the aggregate that:
- (a) The ((contribution is)) contributions are not financed in any part by a foreign national; and
- (b) Foreign nationals are not involved in making decisions regarding the contributions in any way;
- (6) The name and address of each candidate or political committee to which any transfer of funds was made, including the amounts and dates of the transfers;
- (7) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, the amount, date, and purpose of each expenditure, and the total sum of all expenditures. An incidental committee only must report on expenditures, made and reportable as contributions as defined in RCW 42.17A.005, to election campaigns. For purposes of this subsection, commentary or analysis on a ballot proposition by an incidental committee is not considered an expenditure if it does not advocate specifically to vote for or against the ballot proposition;
- (8) The name, address, and electronic contact information of each person to whom an expenditure was made for soliciting or procuring signatures on an initiative or referendum petition, the amount of the compensation to each person, and the total expenditures made for this Code Rev/KS:jlb

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- purpose. Such expenditures shall be reported under this subsection in addition to what is required to be reported under subsection (7) of this section;
  - (9) (a) The name and address of any person and the amount owed for any debt with a value of more than seven hundred fifty dollars that has not been paid for any invoices submitted, goods received, or services performed, within five business days during the period within thirty days before an election, or within ten business days during any other period.
  - (b) For purposes of this subsection, debt does not include regularly recurring expenditures of the same amount that have already been reported at least once and that are not late or outstanding;
    - (10) The surplus or deficit of contributions over expenditures;
- 14 (11) The disposition made in accordance with RCW 42.17A.430 of any surplus funds; and
- 16 (12) Any other information required by the commission by rule in 17 conformance with the policies and purposes of this chapter.
- 18 **Sec. 3.** RCW 42.17A.250 and 2020 c 152 s 4 are each amended to 19 read as follows:
  - (1) An out-of-state political committee organized for the purpose of supporting or opposing candidates or ballot propositions in another state that is not otherwise required to report under RCW 42.17A.205 through 42.17A.240 shall report as required in this section when it makes an expenditure supporting or opposing a Washington state candidate or political committee. The committee shall file with the commission a statement disclosing:
    - (a) Its name and address;
    - (b) The purposes of the out-of-state committee;
- (c) The names, addresses, and titles of its officers or, if it names no officers, the names, addresses, and the titles of its responsible leaders;
  - (d) The name, office sought, and party affiliation of each candidate in the state of Washington whom the out-of-state committee is supporting or opposing and, if the committee is supporting or opposing the entire ticket of any party, the name of the party;
- 36 (e) The ballot proposition supported or opposed in the state of 37 Washington, if any, and whether the committee is in favor of or 38 opposed to that proposition;

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- (f) The name and address of each person residing in the state of Washington or corporation that has a place of business in the state of Washington who has made one or more contributions in the aggregate of more than twenty-five dollars to the out-of-state committee during the current calendar year, together with the money value and date of the contributions;
- (g) The name, address, and employer of each person or corporation residing outside the state of Washington who has made one or more contributions in the aggregate of more than two thousand five hundred fifty dollars to the out-of-state committee during the current calendar year, together with the money value and date of the contributions. Annually, the commission must modify the two thousand five hundred fifty dollar limit in this subsection based on percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent twelve-month period by the bureau of economic analysis of the federal department of commerce;
- (h) The name and address of each person in the state of Washington to whom an expenditure was made by the out-of-state committee with respect to a candidate or political committee in the aggregate amount of more than fifty dollars, the amount, date, and purpose of the expenditure, and the total sum of the expenditures;
- (i) A statement that the out-of-state committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making ((a contribution)) one or more contributions reportable under this section that total at least \$2,500 in the aggregate that:
- (i) The ((contribution is)) contributions are not financed in any part by a foreign national; and
- (ii) Foreign nationals are not involved in making decisions regarding the contributions in any way; and
- (j) Any other information as the commission may prescribe by rule in keeping with the policies and purposes of this chapter.
- (2) Each statement shall be filed no later than the tenth day of the month following any month in which a contribution or other expenditure reportable under subsection (1) of this section is made. An out-of-state committee incurring an obligation to file additional statements in a calendar year may satisfy the obligation by timely filing reports that supplement previously filed information.

- **Sec. 4.** RCW 42.17A.265 and 2020 c 152 s 7 are each amended to read as follows:
  - (1) Treasurers shall prepare and deliver to the commission a special report when a contribution or aggregate of contributions totals one thousand dollars or more, is from a single person or entity, and is received during a special reporting period.
  - (2) A political committee shall prepare and deliver to the commission a special report when it makes a contribution or an aggregate of contributions to a single entity that totals one thousand dollars or more during a special reporting period.
  - (3) An aggregate of contributions includes only those contributions made to or received from a single entity during any one special reporting period. Any subsequent contribution of any size made to or received from the same person or entity during the special reporting period must also be reported.
- 16 (4) Special reporting periods, for purposes of this section, 17 include:
  - (a) The period beginning on the day after the last report required by RCW 42.17A.235 and 42.17A.240 to be filed before a primary and concluding on the end of the day before that primary;
    - (b) The period twenty-one days preceding a general election; and
  - (c) An aggregate of contributions includes only those contributions received from a single entity during any one special reporting period or made by the contributing political committee to a single entity during any one special reporting period.
  - (5) If a campaign treasurer files a special report under this section for one or more contributions received from a single entity during a special reporting period, the treasurer shall also file a special report under this section for each subsequent contribution of any size which is received from that entity during the special reporting period. If a political committee files a special report under this section for a contribution or contributions made to a single entity during a special reporting period, the political committee shall also file a special report for each subsequent contribution of any size which is made to that entity during the special reporting period.
- 37 (6) Special reports required by this section shall be delivered 38 electronically, or in written form if an electronic alternative is 39 not available.

- (a) The special report required of a contribution recipient under subsection (1) of this section shall be delivered to the commission within forty-eight hours of the time, or on the first working day after: The contribution of one thousand dollars or more is received by the candidate or treasurer; the aggregate received by the candidate or treasurer first equals one thousand dollars or more; or any subsequent contribution from the same source is received by the candidate or treasurer.
- (b) The special report required of a contributor under subsection (2) of this section or RCW 42.17A.625 shall be delivered to the commission, and the candidate or political committee to whom the contribution or contributions are made, within twenty-four hours of the time, or on the first working day after: The contribution is made; the aggregate of contributions made first equals one thousand dollars or more; or any subsequent contribution to the same person or entity is made.
  - (7) The special report shall include:
  - (a) The amount of the contribution or contributions;
  - (b) The date or dates of receipt;
- 20 (c) The name and address of the donor;
  - (d) The name and address of the recipient;
  - (e) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making ((a contribution)) one or more contributions reportable under this section that total at least \$2,500 in the aggregate that:
  - (i) The ((contribution is)) contributions are not financed in any part by a foreign national; and
  - (ii) Foreign nationals are not involved in making decisions regarding the contributions in any way; and
    - (f) Any other information the commission may by rule require.
    - (8) Contributions reported under this section shall also be reported as required by other provisions of this chapter.
  - (9) The commission shall prepare daily a summary of the special reports made under this section and RCW 42.17A.625.
- 36 (10) Contributions governed by this section include, but are not 37 limited to, contributions made or received indirectly through a third 38 party or entity whether the contributions are or are not reported to 39 the commission as earmarked contributions under RCW 42.17A.270."

## Correct the title.

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- <u>EFFECT:</u> (1) Removes provisions that require purchasers of political advertising and electioneering communications to disclose information to commercial advertisers on request.
- (2) Provides that candidates and political committees must receive a certification that no foreign national was involved in campaign contributions only when the donor gives more than \$2,500 in an election cycle.
- (3) Requires candidates and political committees to certify in their reports to the Public Disclosure Commission that they have received a certification that no foreign national was involved only for contributions exceeding that threshold.

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