

SENATE BILL REPORT

SB 5840

As of January 13, 2026

Title: An act relating to making adjustments to the schedule for reporting campaign finance expenditure activity.

Brief Description: Making adjustments to the schedule for reporting campaign finance expenditure activity.

Sponsors: Senators Wilson, J., Valdez, Dozier and Nobles; by request of Public Disclosure Commission.

Brief History:

Committee Activity: State Government, Tribal Affairs & Elections: 1/13/26.

Brief Summary of Bill

- Requires registered political committees to submit a statement of participation each January to indicate if they are planning to participate in any election that year.
- Directs candidates, political committees, and incidental committees, required to file a statement of organization, to file an expenditure report by the 10th of each month, reporting on the previous month's activity, regardless of the amount of that activity.
- Requires candidates, incidental committees, and political committees expecting to participate in the primary or general election that year to file an expenditure report on the 25th of each month beginning in July through October.

SENATE COMMITTEE ON STATE GOVERNMENT, TRIBAL AFFAIRS & ELECTIONS

Staff: Greg Vogel (786-7413)

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

Background: Public Disclosure Commission. In 1972, voters passed Initiative 276, which required the disclosure of campaign finances, lobbyist activities, financial affairs of elected officers and candidates, and access to public records. The initiative created the Public Disclosure Commission (PDC), a five-member, bipartisan citizen commission, to enforce the provisions of the campaign finance disclosure law. The PDC has the authority to develop procedures, adopt rules, investigate complaints, and enforce the laws relating to campaign disclosure and contributions, including the imposing of civil penalties.

Statement of Organization. Every political committee must file a statement of organization with the PDC. The statement must include such information as contact information for the committee and its officers, a statement whether the committee is a continuing one, and information on each candidate or ballot proposition the committee is supporting or opposing.

A political committee means any person, except a candidate or an individual dealing with his or her own funds, expecting to receive contributions or make expenditures in support of or in opposition to any candidate or any ballot proposition.

A continuing political committee means a political committee that is an organization of continuing existence not limited to participation in any particular election campaign or election cycle.

Expenditure Reports. All expenses incurred by a full-reporting candidate or committee must be reported to the PDC as part of an expenditure report. The report summarizes the campaign's overall financial activity and shows receipts and expenditures for a specific period.

Expenditures can include payments for services, subscriptions, political advertising, repayment of loans, contracts or agreements, promises to pay or debts, reimbursements to volunteers, and filing fees or other items paid for by the candidate.

If a candidate or committee has more than \$750 in contributions or expenditures, it must file a monthly expenditure report by the 10th of the following month. For candidates and committees participating in an election, expenditure reports are due 21 and 7 days before special elections and the primary and general election, and on the 10th of the month after the election.

To participate in an election, it means an entity contributes to a campaign, makes an independent expenditure in support or opposition to a candidate, or endorses or makes a recommendation on a candidate before a division or branch of that entity contributes to the candidate or candidate's opponent.

Candidates and committees that commit to raising and spending no more than \$7,000 and receiving no more than \$500 from any one contributor do not file contribution reports or

expenditure reports.

Incidental Committee. An incidental committee means any nonprofit organization, not otherwise defined as a political committee, that may spend or expects to spend \$35,000 or more in a calendar year on election campaigns or political committees and receives \$15,000 or more in payments from a single source. If an organization only remits payments in the aggregate, then it is not required to register as an incidental committee.

Summary of Bill: Statement of Participation. A statement of organization by a political committee must include a statement whether the committee expects to participate in any election campaign for the calendar year in which the statement of organization is filed.

Each registered political committee must submit a statement to the PDC by January 1st of each year to indicate whether or not the committee expects to participate in any election campaign for that year.

The statement must include the following information for each campaign not previously provided:

- the name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing, and, if the committee is supporting the entire ticket of any party, the name of the party; and
- the ballot proposition concerned, if any, and whether the committee is in favor or opposed to the proposition.

Any change to the statement of participation to indicate the committee is expecting to participate in one or more election campaigns must be made no later than 24 hours of such participation.

Any change to the statement to indicate the committee is not expecting to participate in an election campaign for the primary or general election may only be made before July 1st of the same year.

With respect to a particular election, an entity participates if it:

- makes either a monetary or in-kind contribution to a candidate;
- makes an independent expenditure, regardless of the monetary value of the expenditure, or electioneering communication in support of or opposition to a candidate;
- endorses a candidate before contributions are made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent;
- makes a recommendation regarding whether a candidate should be supported or opposed before a contribution is made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent;
- directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support of or opposition to a candidate; or

- makes an expenditure in support of or opposition to a ballot proposition.

Expenditure Reports. Each treasurer of a candidate or political committee, or an incidental committee required to file a statement of organization, must file with the PDC an expenditure report on the 10th day of each month of the year.

Each of the following entities must also file with the PDC an expenditure report on the 25th day of each month beginning in July through October of the same year:

- each treasurer of a candidate in the primary or general election of that year;
- each treasurer of a political committee expecting to participate in the primary or general election of that year; and
- each incidental committee.

Any political committee that has not changed its statement of participation before July 1st of the same year to indicate the committee is not expecting to participate in an election campaign for the primary or general election must provide the expenditure report.

Expenditure reports filed on the 10th day of the month must report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report, except the reports filed in the months of July through October must report all contributions received and expenditures made through the end of two business days before the date of the report.

Expenditure reports filed on the 25th day of the month must report all contributions received and expenditures made from the closing date of the last report filed through the end of two business days before the date of the report.

Appropriation: None.

Fiscal Note: Requested on January 2, 2026.

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: PRO: The guise of the bill is to make reporting simplistic and user friendly and still respect the obligation to report campaign finances. The bill sets some calendar expectations, a routine that can be practiced at. One of the issues with the committee is that the report has to be filed without regard to the amount of activity, which we're working on.

This legislation is the product of years of work by the commission to align the campaign reporting schedule with mail voting. As you know there is a lot of activity in September and October and currently all of that activity is disclosed on the eve of the mail in voting period

starting, which is not a whole lot of time to evaluate, digest, and inform choices. This would add dates to make reporting more transparent and provide it in digestible chunks. The commission's done extensive work to gather input to get us to a place where everyone can support this.

The bill solves a big problem with our state campaign finance laws. When a committee fails to report a C-4, we currently have no idea why they didn't file. It could be that there's no activity but just as often it could be because the committee is negligent, they're not paying attention to the deadlines, or not tracking their own financial activity. My biggest issue is with the frequency of C-4 reports leading up to the election, potentially driving up costs to treasurers without a corresponding benefit to the public.

OTHER: There is general support for the direction here, and agreement with the goal of simplifying and standardizing reporting schedules. There is appreciation for the effort to improve transparency both pre- and post-election and the good faith effort to provide an extra day for filing pre-election reports. There are concerns with the excessive filing burden this bill could create, particularly the requirement to file a monthly C-4 even when there is no activity, which is especially challenging for small local campaigns and senate and judicial campaigns that may be dormant for a period of time.

Persons Testifying: PRO: Senator Jeff Wilson, Prime Sponsor; Kim Bradford, Public Disclosure Commission; Conner Edwards, Professional Campaign Treasurer, CG Edwards PLLC .

OTHER: Jason Bennett.

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