

State of Washington PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm. 206, PO Box 40908 • Olympia, Washington 98504-0908 (360) 753-1111 • FAX (360) 753-1112

Toll Free 1-877-601-2828 • E-mail: pdc@pdc.wa.gov • Website: www.pdc.wa.gov

Memo

To: PDC Commissioners

From: Sean Flynn, General Counsel

Date: August 11, 2023

Re: Policy Held Over From 2023 Session

The following summarizes the campaign finance bills we followed through the 2023 session that did not pass. All bills that failed to pass in the first year of the biennium are returned to their house of origin and reintroduced the following year. The reintroduced bills will retain their amended status, which is reflected in the summaries here.

These outstanding bills are presented for developing the PDC's 2024 legislative agenda. Additional policy ideas can be discussed later, though staff suggests the Commission focus on the decision whether to pursue the unfinished business of 2023 prior to considering new policy recommendations.

ESSB 5284 (HB 1667 companion) Agency Request Legislation (Ngyuen)

- Includes one additional preelection reporting date for C-4 (campaign preelection expenditures) and C-6 (independent expenditure) reports 34 days before the election, and adjusts the existing preelection reports to 20 and six days before the election. The new reporting schedule would be 34, 20, and six days before the election. The adjustments provide an additional day to prepare reports (48 hours from end of the reporting period).
- Adjusts the last-minute contribution (LMC) reporting threshold to synchronize with the contribution limit for statewide office per election. Only contributions permitted for campaigns that exceed the amount of that contribution limit would need to be reported. The reporting period is extended to begin the first day of the last full month before the election (October 1st for the November general election).
- Requires sponsors to notify commercial advertisers, upon request, that the advertising purchased is a political ad or electioneering communication.
- Omits requirement that campaigns collect donor certifications that contributions from non-individuals are not financed by foreign nationals.
- Prohibits contributions or independent expenditures from a foreign-influenced corporation (including any corporation with at least one percent foreign ownership).
 Requires any corporation within seven days of making a contribution or independent expenditure to file a statement with the PDC that the corporation is not a foreigninfluenced corporation.

HB 1330 Foreign Donor Certification (Christian)

Creates a threshold that PACs and candidates must obtain a non-foreign financed certification from entities for contributions of only \$2,500 and over. (The current highest threshold for statewide office is \$2400.)

ESSB 5207 Controlled Entities (Billig)

Provides that contributions by any entity are aggregated with the contributions of each owner that holds a majority interest in the entity. Further provides that multiple entities are affiliated if one is established, financed, maintained, or controlled by the other. (The so-called EFMC standard is borrowed from the Federal Election Commission rules and is applied in the PDC's own rules.)