

**To: Representative Paul Holvey, Chair, House Rules Committee
Senator Jeff Golden, Chair, Senate Committee on Campaign Finance**
From: Tom Bowerman
RE: Public Testimony on HB 2716

HB2716 falls short of the broad goal of creating greater transparency on independent campaign spending and 'dark money political speech.' Washington State scores considerably higher than Oregon on the transparency of campaign contributions, especially regarding independent spending and dark money. I strongly urge members of this committee take an affirmative look at Washington State's disclosure law for guidance. It is widely known that filing on OLIS is better than nothing but not nearly as transparent and accessible to the public as are the requirements in Washington where campaign ads are required to indicate the largest contributors prominently within the communication itself. The following is an excerpt of Washington's Chapter 42.17A Disclosure and Contribution law:

Washington State 42.17A. 320 Identification of Sponsor:

(1) All written political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name and address. All radio and television political advertising, whether relating to candidates or ballot propositions, shall include the sponsor's name. The use of an assumed name for the sponsor of electioneering communications, independent expenditures, or political advertising shall be unlawful. For partisan office, if a candidate has expressed a party or independent preference on the declaration of candidacy, that party or independent designation shall be clearly identified in electioneering communications, independent expenditures, or political advertising.

(2) In addition to the information required by subsection (1) of this section, except as specifically addressed in subsections (4) and (5) of this section, all political advertising undertaken as an independent expenditure or an electioneering communication by a person or entity other than a bona fide political party must include as part of the communication:

(a) The statement: "No candidate authorized this ad. It is paid for by (name, address, city, state)";
(b) If the sponsor is a political committee, the statement: "Top Five Contributors," followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement or communication; and

(c) If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity.

(3) The information required by subsections (1) and (2) of this section shall:

(a) Appear on the first page or fold of the written advertisement or communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written advertisement or communication directed at more than one voter, such as a billboard or poster, whichever is larger;

(b) Not be subject to the half-tone or screening process; and

(c) Be set apart from any other printed matter.

(4) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual image, the following statement must either be clearly spoken, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background: "No candidate authorized this ad. Paid for by (name, city, state)." If the advertisement or communication is undertaken by a nonindividual other than a party organization, then the following notation must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this

chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.

(5) The following statement shall be clearly spoken in an independent expenditure or electioneering communication transmitted by a method that does not include a visual image: "No candidate authorized this ad. Paid for by (name, city, state)." If the independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following statement must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period preceding the date on which the advertisement is initially published or otherwise presented to the public. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.(6) Political advertising costing one thousand dollars or more supporting or opposing ballot measures sponsored by a political committee must include the information on the "Top Five Contributors" consistent with subsections (2), (4), and (5) of this section. A series of political advertising sponsored by the same political committee, each of which is under one thousand dollars, must include the "Top Five Contributors" information required by this section once their cumulative value reaches one thousand dollars or more.

California uses similar transparency laws to Washington, while also requiring an internet link to the full list of contributors-- specified language guidelines are at "Funding Details" www.fppc.ca.gov. For more California information, visit [California's independent advertising spending disclosure requirements](#).

Oregon disclosure of dark money to candidates or measures should contain these components:

- **Identification of natural persons making the original contribution above an inconsequential amount.**
- **Inconsequential amount could be less than \$100, in aggregate, during any election cycle.**
- **Require chain of custody tracking requirements for each entity handling funds to prevent hiding the original source through multiple pass-through agents.**
- **Adequate penalty for failure to track and disclose original natural persons commensurate with the level of donation, such as a minimum amount of \$1000 for infractions below \$5000 and 3:1 penalty for large influential contributions above \$5000.**
- **If permissible by law, the prohibition of independent political spending by corporations or union aggregators, or at minimum the listing of individual contributors above an appropriate minimum gross contribution of \$100 in aggregate through an election cycle.**

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