SEATTLE ETHICS AND ELECTIONS COMMISSION

Proposed Revisions to Rules 7, 9, and 16 of the SEEC Elections Code Rules

For Commission Consideration

Date of Draft: November 15, 2024

The following revisions are proposed for Rule 7, Payments:

C. Payments to Sub Vendors and Subcontractors – Cash Equivalents.

- 1. Payments to Sub Vendors and Subcontractors. Expenditures made on behalf of a candidate or political committee by any person, agency, firm, organization, entity, or otherwise, etc. employed or retained for the purpose of organizing, directing, managing, or assisting the candidate's or the committee's efforts shall be deemed expenditures by the candidate or committee. Such expenditures shall be reported by the candidate or committee as if made or incurred by the candidate or committee directly. For example, when payments to a consultant, in the aggregate, exceed the threshold for itemizing expenditures (\$200)\$50, the following shall be reported: (1) the purpose of the consultant's work; (2) the consultant's name and address; (3) the amount paid to the consultant; and (4) the names and addresses of the entities to whom which the consultant made payments in excess of the threshold for itemizing expenditures (\$200)\$50, the purpose of those the payments, and the amounts of those the payments.
- 2. Payments Using Cash Equivalents. A cash equivalent includes but is not limited to currency, gift cards, and gift certificates. A campaign that purchases a cash equivalent must report the following information: the name and address of the vendor providing the cash equivalent, a description of the item including the number of items purchased, and the dollar amount. For each recipient of more than \$200 in cash equivalents during the reporting period, the campaign must also report the name and address of each recipient of the cash equivalent(s), and the amount provided to each recipient. If the recipient is not known at the time the report is due, the campaign must amend the report showing the expenditure once the recipient is known.

The following revisions are proposed for Rule 9, Political Advertising:

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B. Exceptions to Sponsor ID Requirement. Sponsor identification is required on all forms of political advertising except the following:

leaflets containing only the expressions of the person who drafts, distributes by hand, and pays for the copying of them and who functions independently of any campaign. *McIntyre v. Ohio Elections Comm'n*, 514 U.S. 334 (1995);

ashtrays badges & badge holders balloons bingo chips brushes bumper stickers (4"x15" or smaller) business cards buttons cigarette lighters clothespins clothing coasters combs cups earrings emery boards envelopes erasers frisbees glasses golf balls & tees hand-held signs

horns ice scrapers inscriptions key rings knives labels letter openers magnifying glasses matchbooks nail clippers & files newspaper ads (one column inch or smaller) noisemakers official state or local voter pamphlets paper & plastic cups paper & plastic plates paperweights pencils pendants pennants pens

pinwheels plastic tableware pocket protectors potholders reader boards with moveable letters ribbons rulers (12"or smaller) shoehorns skywriting staple removers stickers (2-3/4"x1" or smaller) sunglasses sun visors swizzle sticks tickets to fundraisers water towers whistles yard signs*

yo-yos and all similar items

*The Washington State Public Disclosure Commission requires sponsor ID on yard signs.

The following revisions are proposed for Rule 16, Democracy Voucher Program:

D. Use of Democracy Voucher Proceeds – SMC 2.04.634.C and E.

- 1. <u>Payments in cash are prohibited. SMC 2.04.634.C.1.</u> Cash includes but is not limited to currency and cash equivalents such as gift cards and gift certificates.
- 42. A participating candidate has 45 days from withdrawing, becoming ineligible, losing qualification, losing an election, or winning the general election, to pay all campaign debts and obligations. If a participating candidate dies, the campaign has 90 days to pay all campaign debts and obligations.
- 23. After paying all campaign debts and obligations, any remaining funds, up to the amount of Democracy Vouchers redeemed by the candidate, will be considered Unspent Democracy Voucher Proceeds. Such funds must be refunded to the Democracy Voucher Program within those 45 days (or 90 days upon the death of a participating candidate).
- 3 4. A participating candidate or their treasurer can request an extension, which the Director shall grant upon a showing that complying with these deadlines would constitute an unreasonable hardship.