# Candidate and Political Committee Guide



Seattle Ethics and Elections
Commission
2025

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### Introduction

### What We Do

Whether you are a candidate, a campaign worker, or a volunteer, thank you for participating in the political process. If you're reading this guide, you know that Seattle, like most other places in the country, requires that campaign financing be publicly disclosed. Seattle first enacted an Elections Code in 1971. In 1995, we went online, making it even easier to see who is giving money to Seattle campaigns and how that money is being spent.

#### **District Elections**

In 2013, the voters approved Charter Amendment 19 which changed the way Seattleites vote for their councilmembers. 2015 was the first year candidates ran for one of seven district seats or one of two at-large seats. The Charter Amendment also requires that City Council candidates reside in Seattle for at least 120 prior to filing the Declaration of Candidacy in May of the election year.

### **Honest Elections**

In 2015, the voters passed the citizen-led Initiative 122, which created the Democracy Voucher Program, and placed limits on contributions from city contractors, and those who pay to lobby the city.

#### **Resources**

In this Guide you'll find contact information for the various agencies that deal with Elections issues in our State. At the end of this Guide you'll find links to the laws you'll need to follow. The staff will do everything it can to help you understand and comply with the law. If you do not comply with the law, you may face penalties.

### The Commission

Seattle's Elections Code is administered by the Seattle Ethics and Elections Commission (SEEC), a seven-member citizen body, and its staff. Three commissioners are appointed by the City Council, three are appointed by the Mayor, and those six commissioners together choose a seventh commissioner. The Commission hires the executive director, who then hires the staff.

### The WA State PDC

Washington State has a statewide Campaign Financing Law, RCW 42.17A which is administered by the Washington State Public Disclosure Commission (PDC). Candidates and committees should also contact the PDC to ensure that they comply with State law.

### **Contact us**

The SEEC's campaign finance auditor, Polly Grow, is available to provide training and advice on all aspects of the City's disclosure requirements. Call Polly today at (206) 615-1248 to schedule a training session for your campaign.

### **Seattle Elections Archive**

Seattle Public Library has created a collection of campaign advertising and is interested in acquiring samples of materials from current City of Seattle campaigns. Send copies to:

Seattle Public Library – Special Collections, Hugh and Jane Ferguson Seattle Room 1000 Fourth Ave, Seattle, WA 98104

206-386-4636

# **Getting Started**

### **Qualifying as a Candidate or Political Committee**

The Elections Code (SMC Chapter 2.04) defines a "Candidate" as "any individual who seeks election to the office of Mayor, member of the City Council, or City Attorney of the City." It defines a "Political Committee" as "any person (except a candidate or an individual dealing with the individual's own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition." Throughout this guide, the terms "candidate committee" and "ballot issue committee" are used when there is a need to differentiate between the two types of committees.

All Seattle candidates must be registered voters in the jurisdiction they hope to represent. City Council candidates must reside in their district for at least 120 days prior to filing their Declaration of Candidacy in May of the election year.

### **Election by Districts**

Seattle residents can find which district they are in by calling the Seattle City Clerk at (206) 684-8361. They can visit the Clerk's web site at <a href="www.seattle.gov/clerk">www.seattle.gov/clerk</a> for the link to <a href="Locate Your District and">Locate Your District and</a> Councilmembers.

### When Must a Candidate or Political Committee Begin Reporting?

Both State and City law require candidates and committees to begin filing campaign disclosure reports within two weeks of answering "yes" to <u>any</u> of the following questions:

### Have you become a candidate?

Have you...

- □ raised or spent any money on your campaign, or to explore the possibility of becoming a candidate or running a ballot issue campaign?
- □ solicited contributions (including Democracy Vouchers), or pledges contingent on your decision to seek office or run a ballot issue campaign?
- publicly announced that you are a candidate, or publicly announced that you are organizing a ballot issue committee?
- ☐ filed a Declaration of Candidacy to run for City office?
- □ paid for or reserved office space or other facilities for your campaign?
- □ paid for or reserved advertising space or broadcast time for a campaign? Have you asked someone to conduct a survey or poll regarding your campaign or a ballot issue?
- ☐ Have you given your consent to anyone doing any of these things for you?

If you answer "yes" to any of these questions then, you have become a candidate.

## Getting Started continued

### **Schedule a Training Session**

Learn what you need to do to comply with the City's Elections Code. Schedule a training session with Polly Grow at (206) 615-1248 or <a href="mailto:polly.grow@seattle.gov">polly.grow@seattle.gov</a>.

Sign up for a training session with the PDC (<u>www.pdc.wa.gov</u>) in Olympia to learn how to use the free ORCA campaign finance software.

### **Get Registered**

State <u>and</u> City law require committees to file a C-1 (Statement of Registration). The State's *free* campaign reporting software, ORCA, can be found on the State's Public Disclosure Commission (PDC) website at <a href="https://www.pdc.wa.gov">www.pdc.wa.gov</a>. Filers can e-file the C-1 with both the State and City. (See Set Up E-filing below.)

### **Appoint a Treasurer**

Every campaign must appoint a treasurer. The treasurer is responsible for filing timely, accurate reports. Failure to timely file can lead to late filing penalties. The treasurer is also responsible for receiving contributions, making expenditures and keeping accurate, detailed records. The treasurer should be a person who can be counted on for the duration of your campaign.

Some campaigns have professional treasurers and some have volunteers or paid non-professional treasurers. Typically, treasurers have strong bookkeeping, cataloging or computer skills. Commission staff discourages candidates from serving as their own treasurer, unless they plan to raise or spend less than \$7,000.

A candidate or committee should make the treasurer an integral part of the campaign. The treasurer will need to know when the campaign is planning events to account for money going out or obligations being incurred, and contributions coming in.

The treasurer must also ensure that campaign workers collect the necessary information regarding expenditures and contributions, so that the campaign can comply with the disclosure requirements.

### **IRS Reporting Obligation**

The IRS requires that local campaigns report their activity with the federal government. Learn more about your IRS filing obligations by calling the IRS at (877) 829-5500, or visit the website:

https://www.irs.gov/charities-non-profits/political-organizations.

### **Open a Bank Account**

Each committee is required to open a unique account at a Washington state bank or credit union. Campaign funds cannot be commingled with funds from another individual or organization. All monetary contributions must be deposited into this account, and all campaign expenses will be paid or reimbursed from this account.

Committees sometimes experience difficulties opening a campaign bank account. If the first bank or credit union you try won't open a campaign account, try another one, or try another branch of the same institution. You can also look at the C-1 forms filed by other Seattle committees to see where they are banking.

# **Getting Started**

### **Set Up E-Filing**

If you plan to use the State's campaign disclosure reporting software, you can access ORCA, the PDC's free web-based campaign finance management system at <a href="https://www.pdc.wa.gov/registration-reporting">www.pdc.wa.gov/registration-reporting</a>.

The PDC and the SEEC both accept e-filed C-1s or Statements of Registration. The PDC's online e-filing system allows filers to e-file the C-1 with both agencies. Make sure you check the box to indicate that you have a filing requirement with the City of Seattle when e-filing your C-1 with the PDC.

If there are two or fewer candidates on the ballot at the close of filing week in May, your campaign will appear on the General Election ballot only.

**Each individual who will be certifying disclosure reports must request a password from the SEEC**. Staff can issue passwords via e-mail during business hours. If you've filed reports with the SEEC in the past and been issued a User Name, you can use those credentials to file for your new committee. Unlike the PDC, the City requires *each individual* who is certifying reports to be responsible for their own log-in credentials.

If you expect to meet the threshold for e-filing, but haven't yet, we recommend that you e-file from the start. If you decide to begin e-filing at a later date, then all contributor and expenditure data from the beginning of the campaign must be entered into ORCA (or your preferred system).

You can find instructions for e-filing by navigating to <a href="www.seattle.gov/elections">www.seattle.gov/elections</a> and clicking the link to <a href="Law & Certify">Law & Certify</a>.

### File the F-1 Personal Financial Affairs Statement

At the time a candidate files the C-1, they must also file two additional forms: the <u>PDC F-1</u>, to be filed with the PDC, and the <u>SEEC F-1</u> to be filed with the Seattle City Clerk. The PDC form can be filed online with the PDC. The SEEC F-1 must be signed and either e-mailed to clerkfiling@seattle.gov, or delivered to the Seattle City Clerk in City Hall.

We strongly recommend that filers refer to the <u>Step by Step instructions</u> on the PDC's website. The link "Completing the F-1" on the right of that page goes through each section of the report in detail with many useful examples.

# **Declaration of Candidacy**

### The Declaration of Candidacy and Filing Fee

The Declaration of Candidacy is a candidate's notification to King County Elections that they want to appear on the ballot. Candidates fill out a form, and pay the **filing fee**. The filing fee is 1% of the salary of the office being sought. In 2025, the filing fee will be <u>approximately</u>

- \$1,450 for at-large Seattle City Council candidates,
- \$1,661 for District City Council candidates,
- \$2,245 for City Attorney, and
- \$2,540 for Mayor.

King County Elections will provide candidates with the exact amount of the filing fee.

Democracy Voucher Program participants <u>cannot</u> use Qualifying Contribution Signature forms for signatures in lieu of the filing fee, nor can signatures in lieu petitions be used as qualifying contribution signatures. However, DVP participants <u>can</u> use voucher proceeds to pay the filing fee.

### Signatures in Lieu of Filing Fee

Candidates may submit nominating petitions in lieu of a filing fee. The nominating petition must contain one valid signature for each dollar of the filing fee. (RCW 29A.24.091).

We recommend that candidates collect 20% more signatures than required to account for duplicates and invalid signatures. Candidates may <u>not</u> combine signatures with a monetary payment to cover the cost of the filing fee.

To find out more about nominating petitions, contact <u>King County Elections</u> well in advance of the May filing week at (206) 296-8683 (VOTE).

### Filing Week <u>RCW 29A.24.050</u>

Candidates file the Declaration during **Filing Week**. In 2025 Filing Week happens from May 5 – May 9, 2025. Contact King County Elections for details about how to file the Declaration of Candidacy and pay the filing fee.

Most candidates have a campaign disclosure reporting obligation prior to filing the Declaration of Candidacy. Make sure to register your campaign with the PDC and the SEEC within two weeks of raising or spending money, or incurring debts, in support of your campaign.

### Residency

Candidates for Seattle office must be a registered voter in Washington State at the time they file the Declaration of Candidacy in May of the election year. Candidates for Seattle City Council must also be a resident of the City for at least 120 days prior to filing the Declaration of Candidacy. Candidates for a District City Council seat, must be a resident of that district for at least 120 days prior to filing the Declaration of Candidacy.

# Guide to Reporting

### **Mini Reporting**

Candidates or committees that raise or spend more than \$7,000 must file regular reports detailing their contributors as well as how they are spending campaign funds. Candidates or committees that expect to spend \$7,000 or less (not including the filing fee), and who will have no contributors giving more than \$500 in total per contributor, can qualify for "mini reporting." Generally speaking a candidate or committee that limits its expenditures and contributions to \$7,000 or less will only be required to file a single C-4 at the close of the campaign that documents all funds raised and spent. (SEEC Admin. Rule 15.A, Executive Director's Rule 1).

Democracy Voucher Program participants <u>must</u> choose the Full Reporting option.

### **Electronic Filing**

Candidates or committees that have spent \$7,000 or more in the past year, or expect to spend \$7,000 or more in the coming year must file their campaign finance reports electronically. See pp. 4-5 to learn about setting your campaign up for e-filing with the SEEC.

### When a Report is Considered Filed

Reports are required to be filed no later than 11:59:59 pm of the filing date. The date on which a report is considered filed is as follows:

- Electronically: on the date the transmittal is received by the City's server. Remember to allow time for your server to send and our server to receive the reports. Check to see that your report has been filed by going to the **Filings** page at <a href="www.seattle.gov/elections">www.seattle.gov/elections</a>.
- · By mail: on the postmark date
- By hand: on the date received by the Seattle City Clerk (Check with Clerk's office before delivering by hand.)

### **Late Filed Reports**

Late filing of reports may result in a civil penalty of up to \$50 for each day each report is delinquent. During the thirty days before the election, late filing penalties can increase to \$150 per day per report. Excessively late filing can also result in civil penalties of twice the amount not timely reported.

Voucher proceeds cannot be used to pay fines.

### **Reporting Deposits of Contributions**

Each deposit must be reported on a C-3. The C-3 reports the date of receipt, name and address of contributor, amount contributed and total contributions by that contributor to-date. The **receipt date** is not necessarily the date on the check. Please keep track of when checks are *received* to ensure timely deposits of contributions. If your online credit card processor notifies you each week of contributions received and deposited during the prior seven days, you can batch the C-3s to eliminate multiple single contributor C-3s. Online and credit card contributions must be reported on a C-3 separate from other monetary contributions.

# Guide to Reporting continued

### **Deposit Contributions**

Contributions must be deposited into the campaign bank account within five business days of receipt. A contribution is received when it is accepted by an agent of the campaign. An agent is not necessarily the treasurer or the candidate. The clock starts ticking when a person representing the committee accepts the contribution. Websites, mailboxes and Post Office boxes must be checked at least once a week.

Failure to make a timely deposit is a violation of the Elections Code, and subject to a penalty of up to \$5,000 per violation, plus up to two times the amount of the contribution, and return of the contribution. Campaigns are required to deposit **all** monetary contributions into the campaign bank account—including cash.

If the committee cannot, or chooses not to, accept a contribution, they do not have to deposit into the campaign bank account, as long as they return it to the contributor within five business days.

### Democracy Voucher Program participants <u>must</u>

- Deposit all contributions including qualifying contributions within five business days
- Itemize all qualifying contributions
- Report deposits of voucher proceeds on a separate C3 with no other contributions
- Itemize all voucher proceeds filed with the SEEC.

When filing with the PDC, we ask that you itemize only contributions that are required to be itemized (i.e. contributions of more than \$100 in the aggregate).

We recommend that if you are accepting online contributions, you ensure that those contributions can be transferred to your bank account at least twice per week. Avoid using campaign services that collect contributions on your behalf if they are not in compliance with State and City law.

### **Report Employer and Occupation**

Filers must report the contributor's employer, occupation and employer's city and state whenever that contributor's aggregate contributions exceed \$250.

Under City rules, "Self" or "Self employed" are not sufficient employer names. The committee must provide the name under which the contributor does business. If the contributor does business under his or her own name, then enter the name of the contributor in the Employer field. If the contributor is not employed, "retired," "student," "community volunteer" and similar are all acceptable entries for employer.

# Contributions

### **Contribution Limits**

The contribution limit for candidates in the 2025 election cycle is \$650. The cash contribution limit is \$60. Contributions of greater than \$60 must be made by written instrument — such as by check or credit card.

The contribution limit for Democracy Voucher Program participants in the 2025 Election is

Mayor — \$650 including up to \$100 in democracy vouchers

City Attorney — \$350 plus up to \$100 in democracy vouchers

City Council — \$350 plus up to \$100 in democracy vouchers

Under certain circumstances, **DVP candidates can request and be granted release** from the \$350 + \$100DV contribution limit. If granted, the contribution limit would rise to \$650 <u>including</u> up to \$100 in vouchers. Contact the DVP team at democracyvoucher@seattle.gov for more information about the release process.

The contribution limit for all candidates lasts through the election cycle, i.e. through April 2026. Once a contributor has contributed the maximum, they cannot contribute or loan more to the candidate committee.

The **election cycle for DVP candidates** ends 45 days after the Executive Director calls the election, or 45 days after the election is certified, which ever comes first.

**Ex.** If a contributor makes contributions to a candidate of \$350 in June, and \$300 in July, and the candidate makes it through the Primary, the contributor has already maxed out and <u>cannot</u> make additional contributions for the General Election. Nor can the maxed out contributor make additional contributions to pay off a candidate's debt after the election (Primary or General) is over.

Ballot measure committees do not have contribution limits under City law. State law imposes a limit during the final 21 days before the election.

### **Contributions from the Candidate**

Under City law, there are no limits on a candidate's contributions to their own campaign unless the candidate has filed for Mini Reporting or the candidate is participating in the Democracy Voucher Program. State law, however <u>limits the amount a candidate can contribute</u> to their own campaign during the final 21 days before the election to \$7,500.

Democracy Voucher Program participants are subject to a Maximum Campaign Valuation (MCV) when making contributions to their own campaign.

#### Loans

Loans to a committee are subject to the contribution limits. If a contributor has maxed out to the committee, they cannot loan the committee additional funds.

A candidate can loan their committee an unlimited amount of funds, however **State law limits the amount the candidate can be repaid to \$7,500 in the Primary and \$7,500 in the General**. Please review the <u>PDC's</u> <u>regulations on reimbursements (within 21 days) and loan repayments</u>.

### **Prohibited Contributions**

City law (SMC 2.04.601) prohibits contributions from **City Contractors** who have received more than \$250,000 in the past two years in City funds under a contract. City law (SMC 2.04.602) also prohibits contributions from **Employers of Lobbyists**, that is, anyone who has paid someone more than \$5,000 to lobby the City in the past year. Lists of contractors who might meet the criteria can be found on the **Lists** page at <a href="mailto:seattle.gov/elections">seattle.gov/elections</a>. Lists of persons who lobby the City can be found on the SEEC's Lobbying page under <a href="mailto:Who Employs Lobbyists">Who Employs Lobbyists</a>.

Voucher participants can accept vouchers from City Contractors and Employers of Lobbyists who are otherwise prohibited from making contributions.

In 2020, the Seattle City Council passed legislation that bars **foreign-influenced corporations** from contributing to candidate committees or independent expenditure committees that expect to spend funds on City candidate elections. Entities that contribute to these committees or make independent expenditures must complete and file a **Certificate of Non-Foreign Influence (CNFI)** with the Seattle City Clerk and the recipient committee.

Please review the **CNFI FAQs** and find blank certificate forms on the SEEC Elections site on the <u>Law & Filer</u> <u>Information page under Non-Foreign Influence</u>.

### **Prohibited Contributions—State, Federal**

State law <u>prohibits contributions</u> from **corporations** that are not doing business in Washington, **labor unions** with fewer than 10 members in Washington, and **political committees** that have not received contributions of \$25 or more from at least ten Washington residents in the past six months.

State law prohibits <u>foreign national financing or involvement</u> in campaign-related contribution or expenditure activity. The law also requires entities to **certify** that any contributions they make do not include foreign national funding or involvement.

Federal law prohibits contributions to candidates from foreign nationals who are not lawful permanent residents.

Lawful permanent residents in Seattle can apply to receive democracy vouchers.

Please do <u>not</u> have <u>any unregistered voter or LPR</u> sign replacement voucher forms, unless they have already applied for and received vouchers from the SEEC.

### **Certificate of Non-Foreign Influence**

A corporation that makes a contribution to a candidate, or a committee making an independent expenditure must file a Certificate of Non-Foreign Influence (CNFI) with the Seattle City Clerk and a copy to the committee. A corporation that spends its own funds to make an independent expenditure must file the (CNFI) with the Seattle City Clerk. Find certification forms and learn more by going on the <u>SEEC Elections Law & Filer Info</u> page.

#### Cash Contributions

Campaigns in Seattle City races can accept up to **\$60** from a person in cash over the course of the election cycle. When a campaign worker accepts a cash contribution, he or she must write a receipt for the contributor to sign and keep the receipt with the cash. Contributions by EFT, PayPal, Venmo or similar cash apps are considered cash contributions.

If the campaign receives a cash contribution in the mail that exceeds \$60, the campaign should deposit the cash and immediately write a refund check to the contributor, if known. The campaign must **issue the refund within five business days**. Commission staff recommends sending a cashier's check for the full amount of the contribution minus the cost of the cashier's check. If it does not, the campaign must confirm that the recipient cashes the refund check.

#### In-Kind Contributions

In-kind contributions are subject to the contribution limit. In-kind contributions must be reported on a Schedule B with the first C-4 report filed after receiving, or becoming aware of the in-kind contribution, whichever occurs first.

Treasurers must also report payments to subvendors when reporting in-kind contributions. When reporting an in-kind contribution, you must include the name of any vendor(s) or subvendor(s) who received more than \$50 from the campaign or its agent during the reporting period.

<u>Example:</u> ABC LLC purchased \$350 of appetizers at Costco and \$300 for drinks at Safeway for a campaign event.

**Reporting a \$650 contribution from ABC LLC is not sufficient.** The report must detail ABC LLC's payments to Costco and Safeway.

<u>Tip:</u> Notify fundraiser hosts when they agree to host an event that the campaign will need receipts to account for the event costs for campaign disclosure reporting.

### Concealment

It is unlawful to conceal the source of a contribution. Contributions may not be given under a false identity, nor may a committee knowingly report an incorrect source of a contribution. The Commission will impose severe penalties for concealing the source of a contribution, and violators are subject to prosecution by the King County Prosecutor's Office.

If you are accepting contributions online, make sure you are set up to collect all the required information for every contributor. See Online Contributions below.

### Reportable In-kind contributions include, but are not limited to:

- Fair market value of office space used by the committee
- Use of a computer by campaign workers
- Office supplies, food and beverages
- Services other than those normally performed by campaign volunteers
- Professional services such as graphic design or campaign consulting, for which a person is normally paid, if the committee is not charged or charged a reduced rate

### **Credit Card Contributions and Online Contributions**

Campaigns must collect the following information to process a credit card contribution:

Ш	Name of Contributor
	Address of Contributor
	Name on Card
	Last Four Numbers of Card*
	Expiration Date of Card*
	Credit Card Type (Visa, MasterCard, etc.)
	Amount Contributed
	Date Contribution Received
	Date Transaction Processed
	Authorization Code*
	All statements relating to transactions
	All correspondence relating to transactions
	Occupation and Employer (for contributions of more than \$250)

Voucher participants must have address verification with their credit card processing for qualifying contributions. See the Candidate Toolkit for all the credit card contribution requirements.

Many credit card processors do not collect all of the information campaigns are required to report on their campaign disclosure forms. There are, however, vendors who process contributions specifically for political campaigns, and campaigns may wish to explore using such a vendor. If your credit card processor does not collect all of the necessary information or share this information with you, Commission staff recommends that you create a form for online contributions.

<u>Please Note:</u> Avoid using fundraising apps like GoFundMe or some campaigning apps that collect contributions but do not turn over the contributions to your campaign in a timely manner as they are not compliant with City and State reporting requirements.

If your campaign does not collect the required information online, a campaign representative must follow up with the donor to collect the required information.

### **Reporting the Credit Card Transaction Fees**

Under City rules, campaigns must report the credit card transaction fees, either as an expenditure by the campaign, or, if the contributor has paid the fees, as an in-kind contribution from the contributor. Remember, the in-kind contribution counts towards the contributor's contribution limit.

### **Affirmation Statements**

When collecting contributions online, the contributor must click a box to affirm that they are eligible to contribute to the campaign, and that they are providing you with the accurate contributor information.

### **Affirmation Statements**

A web page on which credit/debit card contributions are solicited shall provide the following boxes for the contributor to check for self-screening and affirmation that:

- (a) the funds being contributed are the personal funds of the contributor and are not those of another,
- (b) the contributor is not a foreign national who lacks permanent resident status in the United States,
- (c) the contributor is making the contribution via the contributor's personal credit or debit card for which the contributor has a legal obligation to pay, and not through a corporate or business entity card or the card of another, and
- (d) the contributor is at least 18 years old.

The contributor must check off the statements **prior to submitting** their contribution to the committee.

Corporate credit or debit cards must report the corporation as the contributor, not the individual who holds the card.

Voucher participants must include an additional statement on the contribution page for qualifying contributions. See the DVP Candidate Toolkit for details on what to include with on-line contributions.

# Expenditures

### Reimbursements

Reimbursements of more than \$50 to any one vendor must be itemized. You can report the expenditure as a payment to the campaign worker, with a detailed explanation in the description field identifying the vendor's name and address and the amount spent as well as the <u>purpose of the expenditure</u>. Or you can report the expenditure as a payment to the vendor (with all the required detail) and include a note in the description field that the payment was made via the campaign worker.

### **Payments to Vendors and Subvendors**

Report name and address of any vendor and subvendor who receives more than \$50 from the committee (or an agent of the committee) during the reporting period, and amount each was paid.

### **Expenditure Detail**

Committees must report the following information for expenditures:

- Date of expenditure
- Name and address of recipient
- Amount expended
- Purpose of Expenditure

### **Purpose of Expenditures**

For most expenditures, write a brief description. For expenditures in excess of \$5,000, a narrative description is required including, for example, the type of advertising, the dates broadcast, the number of pieces disseminated. No "code" describing the expenditure is required. If you are reimbursing a consultant, a campaign worker or a volunteer, you must provide subvendor information (vendor name, address, amount spent) when the campaign has spent more than \$50 with that vendor during the reporting period.

### **Obligations and Debts**

An obligation is an agreement or a promise to pay whether or not the agreement is legally enforceable. If you order signs from a printer on August 31, you must include it on the C4 due September 10 whether or not you've received an invoice or paid all or a part of the bill. Outstanding debts or obligations (other than loans) are reported as Vendor Debt in ORCA (on Schedule B of the C4).

# Recordkeeping

### **Maintaining Records**

The Committee is responsible for safely storing campaign bank records for five calendar years following the election.

SEEC staff may audit your committee's records at any time. Records must reflect activity up to and including activity on the fifth business day prior to the current date. During the final eight days before the election, these records must reflect all activity, up to and including activity on the preceding business day.

### **Public Inspection of Records**

During the final eight days before the Primary and General elections, campaign finance records must be available for public inspection. In addition, campaign books must be available for a two-hour time period between 8 am and 8 pm on the Monday, a week before the election for anyone who wishes to view the records without an appointment.

Records and a campaign worker must be physically present at the time and location provided by the committee to the SEEC. The address designated on the C-1 report may not be changed within four weeks of the election without the Executive Director's written approval. The campaign must schedule requests for public inspection within 24 hours of a request. The following records must be made available for public inspection:

- Bank Statements
- Check Register
- Copies of Checks Written
- Copies of Checks Received
- Copies of Deposit Slips
- Receipts, Invoices, and Bills
- Email notification of online contributions
- ♦ Contracts
- Copies of filed Campaign Disclosure Reports and all Financial Records

# **Political Advertising**

### **Sponsor ID**

Most political advertisements are required to include sponsor identification. To comply with the law, sponsor identification must include the words "Paid for by" or "Sponsored by" followed by the name and address of the Committee or person paying for the advertising. The sponsor ID is required on websites, mailers, billboards, etc. See <u>Elections Code Administrative Rule 9</u>, for a list of items exempted from the sponsor ID requirement.

On broadcast ads, i.e. television, radio, *and robocalls* (automated calls), the sponsor id does not require the address of the committee, but the words "Paid for by" or "sponsored by" followed by the name of the committee must be **clearly spoken**.

Please also review the PDC's requirements for Political Advertising at

https://www.pdc.wa.gov/learn/political-advertising-guides.

There are additional sponsor ID requirements for Independent Expenditures. Please see <u>SMC 2.04.290.B.2</u> and contact the SEEC for details.

Prior to June 2024, yard signs that were  $4' \times 8'$  or smaller were exempt from the sponsor ID requirement. The PDC now requires sponsor ID on signs smaller than  $4' \times 8'$ .

### **Reporting Ad Buys**

Include vendors, outlets, along with the dates the ads will run.

# Independent Expenditures

### **Independent Expenditures**

Each person and each officer of the committee or entity making an independent expenditure must file a Certificate of Independence. To learn about reporting requirements for those making independent expenditures check out the **IE Guidelines** on the <u>SEEC Elections Law & Filer Info</u> page.

The CEO of any corporation that contributes to an IE committee must complete the <u>SEEC Certificate on Non-Foreign Influence</u> and file it with the Seattle City Clerk and send a copy to the committee that received the contribution. This is NOT the same form as the PDC's. Please make sure filers complete the proper form. And note that the form requires a signature of the CEO.

# Tips for Treasurers

Campaign treasurers have significant responsibilities under the law and face substantial demands on their time, particularly between June 1 and Election Day. Over the years, the SEEC has compiled some suggestions for managing the time commitment and avoiding burnout.

### **Data Entry**

Even with the free ORCA software provided by the PDC, a treasurer can expect to spend a significant amount of time compiling contributor and expenditure information and entering it into the computer. Suggestion: Get Help. Past surveys of Seattle campaigns indicate that treasurers spend more than 40% of their time on data entry. Ask the campaign to find a couple of volunteers to assist with photocopying, data entry, and tracking down occupation and employer information. The treasurer will have to check the work for accuracy and consistency, but it should lighten the load considerably.

Voucher Participants – contact the DVP to learn how to access a data file of names and addresses of those who have contributed vouchers to your campaign. You will use that data to create the C3s reporting voucher proceeds.

### Occupation and Employer (O&E) Information

Obtain the occupation and employer information when a contributor makes his or her first contribution — even if the threshold for reporting such information has not been met. To assist the treasurer in collecting the required information, provide each contributor with a form or a remit envelope to complete with each contribution. Make sure the form allows space to show the occupation and employer for the contributor and his or her spouse, if they make a joint contribution.

### Timely file and amend if necessary

The City requires committees to be diligent in reporting the O&E. Reports missing this information are considered not filed. Failure to file the O&E for an extended period, or for numerous contributors, could result in late filing penalties. If you don't have all the required O&Es at the time the report is due, we ask that you timely file the report with the information you do have, and follow up promptly with an amended report to show the missing information. **Always file on time** – even if you're missing some O&E information.

### Get Employer & Occupation info for every contributor

Some committees find it useful to state on the form that State and City law require the committee to report the occupation and employer of every individual who contributes more than \$250 in the aggregate. Train the campaign staff and volunteers to use the remit envelopes, particularly if someone is giving cash. The remit envelope serves as a reminder to collect the required contributor information and it provides a reliable method for transferring contributions to the treasurer. (Remember, the cash contribution limit for Seattle candidates is \$60 per person for the duration of the election cycle.)

### Open those contribution envelopes

Encourage campaign workers to open sealed contribution envelopes as soon as possible, particularly at campaign events. The treasurer doesn't want to open an envelope a day or two after an event only to find cash in excess of the limit, or an unsigned check, or missing occupation and employer information.

# Tips for Treasurers (continued)

#### On-line contributions

Another potentially time-consuming aspect of credit card processing is the notification of contribution, authorization to deposit, and verification of deposit process. We can't emphasize enough how important it is to work with a good vendor who will clearly identify which contributors' contributions are being deposited into your account and who will make those deposits at least once per week.

### **Expenditure Information**

Ideally, the treasurer will be the one who holds the checkbook/debit card and writes the checks. That requires that the treasurer is available when (and sometimes where) the funds are required. If others on the committee have access to the checkbook or debit card, make sure you work closely with them to collect the detailed information you are required to maintain and report. You might create a form for the campaign worker to fill out when he or she makes an expenditure so that you'll have the information at reporting time.

### Campaign schedule

Stay in the loop of when campaign events are occurring. Ask to be updated when new events are added to the calendar. You'll want to know when the checks will be arriving on your doorstep for data entry and deposit. You'll also be able to anticipate when invoices for printing and food and drinks will arrive. And, you can make sure event hosts know to provide the campaign with receipts and invoices for in-kind contributions.

### Reimbursements

It's a good idea to contact campaign workers and the candidate a week or so before a report is due, to find out if that person has any expenses for which they wish to be reimbursed. Some non-reimbursed expenditures may have to be reported as contributions or obligations. Provide stamped self-addressed envelopes to campaign workers so they can easily mail in their receipts.

If a candidate makes documented out-of-pocket campaign expenditures on behalf of his or her campaign expecting repayment (not intending to make an in-kind contribution), the campaign committee must repay the candidate within 21 days of the expenditure, unless the candidate executed and recorded a written loan agreement at the time the loan was made. Undocumented out-of-pocket campaign expenditures by the candidate are reportable in-kind contributions not eligible for repayment. (WAC 390-16-226 (4))

# Recent Law & Rule Changes

Certificate of Non-Foreign Influence. SEEC's rules are not the same as the PDC's. (See <u>Law & Filer Info</u> page)

Yard signs now must have Sponsor ID (PDC)

Democracy Voucher Program rule changes — <u>Seattle Elections Code Administrative Rules</u>

- New Requirements for Paid Voucher Replacement Form collectors (Rule 16 J.)
- New contribution and MCV limits (Rule 16H and 17)
- Prohibitions on expenditures for cash equivalents (gift cards, gift certificates). (Rule 16D)

# Resources

The SEEC Elections Law & Filer Info page <a href="https://www.seattle.gov/ethics/law-and-filer-information">https://www.seattle.gov/ethics/law-and-filer-information</a> has many of the resources campaigns refer to throughout the campaign.

- SEEC Elections Code Law and Rules
  - City Charter
  - Contribution Limits Chart (MCV and Contribution Limits)
- Lawn or Yard Sign regulations
- SEEC E-filing instructions
- SEEC F-1 forms and instructions
- SEEC Certificate of Non-Foreign Influence forms and Instructions.
- SEEC Candidate Guide
- Video Voters Guide FAQs
- Independent Expenditure Guidelines and Forms
- Candidate Introduction

The Democracy Voucher Program **Campaign and Candidate Resources** page <a href="https://www.seattle.gov/democracyvoucher/i-am-a-candidate/candidate-and-campaign-resources">https://www.seattle.gov/democracyvoucher/i-am-a-candidate/candidate-and-campaign-resources</a> has resources for Voucher Program candidates.