In the Court of Appeals of the State of Washington Division One

STATE OF WASHINGTON, PLAINTIFF-RESPONDENT

ν.

META PLATFORMS, INC., FORMERLY DOING BUSINESS AS FACEBOOK, INC., DEFENDANT-APPELLANT

APPEAL FROM KING COUNTY SUPERIOR COURT
NO. 20-2-07774-7 SEA, HON. DOUGLASS A. NORTH, PRESIDING

BRIEF FOR CHAMBER OF PROGRESS, NETCHOICE, AND TECHNET AS *AMICI CURIAE* IN SUPPORT OF APPELLANT META PLATFORMS, INC.

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INTRODUCTION AND IDENTITY AND INTEREST OF THE AMICI CURIAE

Washington is one of just three States that require online platforms to monitor and disclose political advertising by their users.
Within two business days of a request—from anyone, anywhere
—such platforms must make a litany of disclosures about any ad
remotely pertaining to Washington politics.

Washington stands alone among all 50 States, however, in imposing these requirements on online platforms *without* requiring their users both to notify the platforms when they post regulated ads and to provide the platforms with the information that must be disclosed to the State. It also stands alone in imposing ruinous fines—here, over \$24 million—for achieving anything less than perfect compliance.

In short, every other State achieves its interests in transparent online political advertising without burdening political speech so heavily. And whether Washington law is subject to strict or exacting scrutiny, it cannot withstand the First Amendment's demand that a law burdening political speech be "narrowly tailored"

to the interest it promotes." *Americans for Prosperity Found. v. Bonta*, 141 S. Ct. 2373, 2385 (2021).

The trial court blew past these difficulties by imagining—despite a clear contrary record—that online platforms can easily gin up the requisite information on their own, just by "press[ing] a button." This finding is especially troubling because the issue arose on summary judgment, and it is anything but undisputed that platforms have error-free automated means of obtaining real-time knowledge of all Washington candidates, ballot propositions, and related ads. Without that impossible omniscience, platforms cannot comply.

The State's expert regulators admit there are "grey areas." CP7078. And not even their expert individualized review of specific ads can quickly or definitively assess which ads are covered. CP7551-52; CP7554-55. Yet Washington demands that platforms make these factual and legal judgments perfectly and almost instantaneously across millions of ads, on pain of draconian fines that the State wishes to impose on a *per-ad* basis.

Faced with this impossible task, several leading platforms including Meta, Google, and Yahoo—have endeavored to avoid violating the law by banning Washington state political ads. If Washington's disclosure requirements and enforcement mechanisms were reasonable, these platforms would willingly carry this vitally important speech—as they do in every other State and for Washington federal elections—and Washington citizens could use the platforms to place low-cost ads. Because Washington penalizes only *platforms* for non-compliance, however, some citizens still place ads, illicitly and in violation of the platforms' bans. Meta is paying the price for failing to disclose prohibited ads that it knew nothing about and made every effort to block.

Amici Chamber of Progress, NetChoice, and TechNet—leading not-for-profit trade organizations that promote innovation, free enterprise, and free speech on the internet—file this brief to explain how Washington law burdens the speech of platforms and their users and why the laws of 49 States confirm that

Washington law is not narrowly tailored to Washington's asserted interest in promoting election transparency. *Amici* and their members can attest that complying with Washington law is not simply a matter of "pressing a button."

Ultimately, it is Washington citizens who suffer, because the State's law effectively prevents platforms from providing a cost-effective means for candidates and citizens to share their political views. Whatever the State's supposed interest, the First Amendment does not permit Washington to pursue that interest through an overbroad law that shuts down an entire channel for core political speech and diminishes the voice of its citizens in Washington elections. As 49 other States have done, Washington can advance any interests through myriad less restrictive means.

STATEMENT OF THE CASE

Washington requires online platforms to disclose extensive information about the content, purchaser, and viewers of "political advertising"—vaguely defined as any ad "used for the purpose of appealing, *directly or indirectly*, for votes or for financial

or other support or opposition in any election campaign." RCW 42.17A.005(40); see also RCW 42.17A.345, WAC 390-18-050 (collectively, the "Platform Disclosure Law"). And unlike the handful of other States that require online platforms to make similar disclosures, Washington places the burden of identifying which ads must be disclosed entirely on the platforms: ad buyers on these self-serve platforms have no statutory obligation to tell platforms that they have posted a covered political ad, let alone to provide platforms with the information needed to meet their disclosure obligations.

If platforms display a covered ad, they must retain information about it for five years following an election cycle. WAC 390-18-050(3). Throughout that period, anyone, anywhere can request the information; and if they do, platforms must drop everything and respond within two business days. WAC 390-18-050(4)(b)(i). That deadline applies regardless of how many ads the request covers—it could be every covered ad in the last five years. If a platform cannot make the disclosures for every

covered ad, or responds in three days instead of two, Washington imposes a \$10,000 fine per "violation." RCW 42.17A.780. This amount is trebled for "intentional" violations. *Ibid*.

Washington sued Meta for not complying with 12 alleged requests within the statute's then-24-hour timeline. CP247-318. The superior court ruled for the State, imposing the maximum \$10,000 penalty for each violation. CP5574; CP5576; CP5784-85. Despite the statute's provision for *per-request* fines, the court imposed liability on a *per-ad* basis—turning 12 violations into 822, and exponentially increasing the statute's chilling effect. And despite Meta's extensive efforts to avoid violating the law—including a complete ban on Washington political ads—the court declared these 822 violations "intentional" and trebled the damages to \$24-plus million. *Ibid*.

ARGUMENT

I. Washington's Platform Disclosure Law, which burdens speech more severely than any other disclosure law nationwide, cannot satisfy First Amendment scrutiny.

Meta has persuasively shown (Opening Br. 20-30) that Washington's Platform Disclosure Law imposes greater burdens on political speech than the Maryland law struck down in *Washington Post v. McManus*, 944 F.3d 506 (4th Cir. 2019). But it is far worse than that: Washington's extreme law imposes much greater burdens on digital political advertising than the law of *any* other State.

The vast majority of States—42—do not single out political advertising run on digital platforms for *any* regulation beyond that imposed on other media.

The remaining States (except Washington) uniformly require the political ad *buyer* to take steps that make it far more feasible for self-serve platforms—some of which receive millions of posted ads daily—to comply. Most importantly, these States uniformly require ad buyers to disclose to the platform whether the

posted ad is regulated, and they uniformly provide "good faith" or similar exceptions that subject platforms to liability only when they have actual knowledge of the posted ad and fail to report on ads that they know are regulated.

Washington law contains none of these protections. Worse, anyone anywhere can make requests for disclosures of covered ads as broad and vague as "any political ads related to 2019 elections in Washington state." CP7870. Washington's Attorney General asserts the right to collect up to \$30,000 per undisclosed ad. That too is unprecedented—the Maryland law in McManus, for example, authorized only injunctive relief. 944 F.3d at 514.

Washington thus stands alone in requiring such extensive disclosures of platforms and imposing such draconian penalties—its law is "truly exceptional." *McCullen v. Coakley*, 573 U.S. 464, 490 (2014). And where, as here, core political speech is at stake, the State must explain "what makes [Washington] so peculiar that it is virtually the only State to determine that such [disclosures and penalties are] necessary." *Eu v. S.F. Cnty*.

Democratic Cent. Comm., 489 U.S. 214, 214-215 (1989). That no other State uses Washington's approach is proof positive that its asserted interests and means of achieving them are "dubious." *Americans for Prosperity*, 141 S. Ct. at 2387.

A. Few States specially regulate online political advertising, and those that do take measured approaches.

Only eight States regulate political advertising online in a manner different from how they regulate political advertising on other media. See Victoria Smith Ekstrand & Ashley Fox, Regulating the Political Wild West: State Efforts to Disclose Sources of Online Political Advertising, 47 J. of Legis. 81, 86 (2021). Moreover, the few States that do impose additional regulations on online platforms take one of three approaches—a disclaimer model, a candidate-based record-keeping model, or a commercial-advertiser-based record-keeping model—that burden far less speech than does Washington. In short, Washington is an outlier twice over—it is one of just eight States to impose additional burdens on online political advertising, and among those States its regulations are easily the most severe.

1. The disclaimer model

Three States (Colorado, Vermont, and Wyoming) prescribe additional regulations for online political advertisements, but require only posting certain disclaimers on those advertisements. This way, all required information is found in the ad itself and can easily be viewed—without any formal request from voters or placing burdensome recordkeeping obligations on platforms.

What's more, these required disclaimers uniformly pertain only to the ad's *purchaser*. Colorado and Wyoming require only a "paid for by" disclaimer that lists the purchaser's name. Colo. Rev. Stat. §§ 1-45-108.5(5), 1-45-108.3 (2019); Wyo. Stat. Ann. § 22-25-110. Vermont requires the purchaser's name and address, as well as top donor information if bought by or on behalf of a political committee or party. Vt. Stat. Ann. tit. 17, § 2972.

2. The candidate-based record-keeping model

Three other States—Virginia, California, and New York—use a candidate-based record-keeping model. Specifically, these States typically require ad buyers to notify a platform that they

are posting a covered political ad, while providing platforms with "good faith" (or similar) exemptions from liability when ad buyers fail to provide the required notification.

In Virginia, before "purchasing" an online political ad, "a person shall identify himself to the online platform as an online political advertiser." Va. Code Ann. § 24.2-960(A). This obligates the purchasers, not the platforms, to identify both themselves and their regulated content.

If an ad buyer fails to provide information or provides inaccurate information, moreover, Virginia does not punish the *plat-form*. Rather, "[a]n online platform may rely in good faith on the information provided by online political advertisers." *Id.* § 24.2-960(C). This relieves platforms of the massive task of monitoring posted ads and trying somehow to ensure that advertisers made the required disclosures.

California likewise regulates online platforms, but exempts many social media advertisements from disclosure. Cal. Gov't Code § 84504.3(h). When ads *are* covered, California requires

that ad buyers both "expressly notify the online platform" that "the advertisement is [a regulated] advertisement," and provide the platform with the other information needed to satisfy its disclaimer and recordkeeping requirements. *Id.* § 84504.6(c)-(e). Unlike in Washington, therefore, platforms need not search for needles in a haystack; those behind the ad must supply platforms with the relevant information. Moreover, California, like Vermont, allows platforms to rely on that information in "good faith." *Id.* § 84504.6(e).

New York requires platforms to make disclosures only to state regulators, and those disclosures are limited to information contained in a registration form that the purchaser has already submitted. N.Y. Elec. Law 14-107-b.

¹ Further, California's recordkeeping obligations last just 12 months, versus an unprecedented 60 months in Washington. *Id.* § 84504.6(d)(1); *cf.* RCW 42.17A.345(1) (imposing recordkeeping requirements for five years following the relevant election).

3. The commercial-advertiser-based disclosure model

Finally, three States—New Jersey, Maryland, and Washington—use a commercial-advertiser-based model to impose disclosure requirements on platforms that provide online commercial advertising. Under this model, the disclosure mandates imposed on "commercial advertisers"—defined to include digital platforms that host political ads—resemble those imposed on candidates. Of the three models, therefore, this model imposes the most severe burdens on platforms. But of the three States that take this approach, Washington is by far the most extreme.

For example, New Jersey requires commercial advertisers to record all posted advertisements, together with the ad buyer's name and address, but not information about such ads' viewers. N.J. Rev. Stat. § 19:44A-22.3(d) (2013). These records must be available for inspection for two years following the election (*ibid.*), unlike the five years required by Washington.

Most importantly, however, New Jersey law directs the platform to require the ad buyer to notify the platform that its ad is a regulated political ad under state law by providing "a copy of the statement of registration required to be filed with the Election Law Enforcement Commission." *Ibid.* This provision enables platforms to identify up front which ads must be disclosed.

Maryland's disclosure law, which failed even exacting scrutiny in *McManus*, was likewise far less burdensome than Washington's. *See* 944 F.3d at 513, 523. Maryland's law contained two main components (Md. Code Ann., Elec. Law § 13-405(b)) —a publication requirement that required platforms to record the purchaser's identity, the identity of anyone exercising control over the purchaser, and the amount paid for the ad (*id.* (b)(6)), and an inspection requirement that required platforms to "retain those records" so "the Maryland Board of Elections c[ould] review them upon request" (*McManus*, 944 F.3d at 512).

Although the "onus" of Maryland law "f[ell] on the websites themselves, not the political speakers," the digital platforms were aided in complying by other statutory requirements imposed on ad buyers. *Id.* at 511. Specifically, "both [the 'publication' and

the 'inspection'] requirements attach[ed] when (i) the buyer notifie[d] a platform that its ad constitutes a 'qualifying paid digital communication[]' under the Act, and (ii) supplie[d] the platform with the necessary information that it w[ould] then have to post and retain as required by the publication and inspection parts of the Act." *Id.* at 512 (quoting Md. Code Ann., Elec. Law §§ 13-405(a)(1), § 13-405(d)(1)).

Maryland political ad buyers thus had to "provide the online platform that disseminates the qualifying paid digital communication with the information necessary ... to comply." Md. Code Ann., Elec. Law § 13-405(d)(1). If that information turned out to be inaccurate, online platforms were further protected by a provision entitling them to "rely in good faith on the information." *Id.* § 13-405(d)(2). As in New York, records had to be made available only to the State, not the public—and for only one year (*id.* § 13-405(c)), not five, as in Washington. Finally, violations were remediable only by injunctions, not fines—let alone draconian fines. *McManus*, 944 F.3d at 514.

Not even these limitations on the scope of information, time of retention, who can inspect the records, penalties, and platform actions taken in good-faith reliance on ad buyers who possess the relevant information could save Maryland's law from being invalidated under the First Amendment. *See id.* at 513, 523. As the Fourth Circuit observed, "Maryland's law is different in kind from customary campaign finance regulations because the Act burdens *platforms* rather than political actors," and such laws have "chilling effects"—they both "make it financially irrational, generally speaking, for platforms to carry political speech" and "create freestanding legal liabilities and compliance burdens that independently deter hosting political speech." *Id.* at 515-16.

As the court elaborated, "the Act fails even the more forgiving standard of exacting scrutiny" because "the disparity between Maryland's chosen means and purported ends is so pronounced." *Id.* at 520. Specifically, "what Maryland wishes to accomplish ... can be done through better fitting means"—"Maryland can apply the Act's substantive provisions to ad purchasers directly,

rather than neutral third-party platforms, or expand its existing campaign finance laws to cover donors." *Id.* at 523.

The court thus invalidated Maryland's law for lack of narrow tailoring even though it (1) required political ad buyers both to self-identify and to provide the required information to online platforms, (2) further protected platforms that relied in good faith on that information; and (3) imposed only injunctive relief—all features absent here. Washington law thus suffers from greater constitutional infirmities than Maryland law—and indeed the law of any other State.

B. Washington law, the broadest of its kind anywhere in the nation, burdens and chills far more speech than the disclosure law of any other State.

Washington law's unprecedented breadth and severity unsurprisingly lead to more severe chilling effects on political speech in Washington than are experienced by the citizens of any other State. This raises serious First Amendment concerns, as burdens on political speech are "especially suspect." *McManus*, 944 F.3d

at 513. Worse, Washington law is essentially unprecedented in three key ways, each of which confirms its unconstitutionality.

1. Washington requires platforms to figure out for themselves whether an ad is regulated—an impossible task.

First, unlike the law of any other State, Washington does not require ad buyers to notify online platforms when they post political ads. For self-serve platforms like Meta or YouTube, this leaves ad buyers free to violate the platforms' disclosure policies with impunity. Meanwhile, platforms must shoulder the massive burden of perpetually monitoring every ad on their sites to find wrongfully undisclosed advertising, posted in violation of their policies. Instead of addressing the ad sponsor's wrongdoing, Washington punishes platforms for what, practically speaking, amounts to a failure to be omniscient.

It is no answer to say that online entities can simply use algorithms to identify the subject ads from among the millions that run daily on their platforms—that, as the superior court put it, Meta "already collect[s]" the needed information and can comply

"essentially [by] press[ing] a button." CP5628-29. That assertion is disputed—which should preclude summary judgment—and it ignores the statute's expansive text and the attendant difficulties of identifying the covered ads. *Amici*'s members can attest that the superior court's assumptions lacked any grounding in the practical realities—which is why many have withdrawn from Washington's political advertising market.

For starters, the statute requires disclosure of ads even if they do not use a candidate's name, provided the State deems the ad "identif[ying]." RCW 42.17A.005(21). Further, the statute covers not only candidate ads but ads for referenda—which means the subject of covered ads is essentially limitless. And if the Attorney General and the superior court were correctly reading the statute (they are not), platforms that inadvertently fail to identify even one offending *ad* that has slipped through (versus failing to submit one required *report*) would be subject to hefty fines. CP7073-93; CP7875.

Even if automated systems are supplemented by human review—a costly, labor-intensive process—platforms still cannot identify all covered ads. For example, there are some 91 places (including 34 cities) in the United States named "Washington." Wikipedia, *List of the most common U.S. place names*.² Nearly all of these places are beyond Washington State's jurisdiction—but that does not eliminate the burden of having to sort through ads, referenda, and candidacy lists to determine whether the subject ads relate to a campaign or referenda somewhere *outside* the State.

To boot, many elections are local, where the burden of complying with Washington's regulations is even greater. According to the U.S. Census Bureau, Washington has 39 counties and 281 cities, towns, and villages. *See 2017 Census of Governments—Organization*, UNITED STATES CENSUS BUREAU (2017).³ Many

² https://en.wikipedia.org/wiki/List_of_the_most_common_U.S._place_names.

³ https://www.census.gov/data/tables/2017/econ/gus/2017-governments.html.

of those places, however, bear the same names as counties, cities, towns, and villages in other States. For example, Washington has a city named Arlington. So do 21 other States. Jackson Knapp, *There Are Actually 21 Places in the US Named Arlington*, WASHINGTONIAN (Jan. 14, 2016).⁴ Making matters worse, 31 States (not including Washington) have a Washington County. Deidre McPhillips, *What's in a Name: Community Health and America's Most Common County*, U.S. NEWS & WORLD REPORT (Apr. 4, 2019).⁵

All of this confirms that combining human and algorithmic review to determine what constitutes a Washington political ad is no simple task, and certainly involves more than "press[ing] a button." CP5628-29. Instead, Washington is demanding that platforms comb through every single ad to determine whether the

 $^{^4\,}$ https://www.washingtonian.com/2016/01/14/there-are-actually-21-places-us-named-arlington/.

⁵ https://www.usnews.com/news/healthiest-communities/articles/2019-04-04/washington-most-common-county-name-inus.

location information (if any) *could* correspond to a location in Washington State. Then the platform must determine if that location is *actually* in Washington, or just one of many common place names that exist both inside and outside that State. This intensive ad-by-ad analysis of 91 places named "Washington" nationwide simply cannot yield the perfect accuracy that Washington requires, placing platforms in an impossible situation.

Further complicating matters, the definition of "political advertising" is broad and open-ended, encompassing anything that "directly or *indirectly*" appeals for "financial or *other support or opposition*" to a candidate or proposition. RCW 42.17A.005(40) (emphasis added). Ads can have unclear relationships to candidates or propositions. In one ad here, a candidate simply thanked a podcast host for being invited onto the podcast, without any reference to a Washington election: "Thank you to @jason-righden for inviting me to @talktoseattle! Listen free on @itunes" CP7873. Another ad mentions "historically low voter turnout rate" and urges people to "vote now," but never specifically

mentions any candidate or ballot proposition. CP7873. The analysis is even murkier for ballot propositions, which often relate to broad social issues like climate change, gun rights, or same-sex marriage, making it difficult to assess whether the ad "indirectly" calls for "support" in an election.

That full compliance is genuinely impossible is underscored by the fact that Meta, Google, and Yahoo have withdrawn from the market, outright banning Washington state-level political ads from their platforms—something they have not done in any other State or for Washington federal elections.⁶ But while this step *ought* to eliminate their compliance obligations, the platforms continue to face liability—here, \$24.6 million—including for "intentional" violations. CP5784-85. Why? Because for the same reasons that platforms cannot perfectly identify covered ads in trying to comply with the law, they cannot perfectly *enforce* their bans. And even though sponsors are best positioned to

⁶ CP7449-50; https://adspecs.yahooinc.com/pages/policiesguidelines/yahoo-ad-policy.

know whether their ads are covered, Washington focuses its ire on the platforms, who often do not know that covered ads were posted and actively sought to block them. These incentives are backwards.

2. Washington provides no "good faith" exception that protects platforms that receive inaccurate information.

The first difficulty with Washington law is exacerbated by a second: Washington provides no "good faith" or similar exception that limits liability to situations where the platform has actual knowledge of what is posted. Even New Jersey—the only other State with a commercial advertiser-based disclosure law that has not been invalidated—requires disclosure only of information known to the platform. N.J. Rev. Stat. § 19:44A-22.3(d) (e.g., the identity and address of the purchaser, a copy of the communication, and a statement of the number of copies made or dates and times of transmittal). Washington, by contrast, requires platforms to disclose information—e.g., who sponsored

the ad—even when the ad buyer did not disclose that sponsorship information to the platform. WAC 390-18-050(6)(c).

This explains why platforms that would otherwise encourage political advertising in Washington elections—having no notice from ad buyers that their posted ad was regulated, and no realistic ability to obtain information not disclosed—have little choice but to withdraw from the market by banning Washington political ads. That these entities would not make this decision unless they had to is confirmed by the fact that they continue to permit online political advertising in every other State. And this "short history of [Washington's] law shows that [its] chilling effects are not theoretical." *McManus*, 944 F.3d at 516-17.

3. Washington imposes penalties far harsher than those of any other State.

Third, Washington's penalties for violations are exponentially more severe than anywhere else. In Maryland, for example, noncompliance was subject only to "injunctive relief to require removal of the ad" (*id.* at 514), whereas Washington's penalty is, according to the court below, \$10,000 per ad (RCW)

42.17A.750(1)(c), 42.17A.755(3)(b))—or \$30,000 for violations deemed "intentional" (RCW 42.17A.780), which evidently includes even ads posted in violation of platform policies. That upto-\$30,000-per-ad penalty imposes a crushing burden and chilling effect on low-cost, readily accessible, and oft-used digital advertising. Suffice it to say, *McManus* involved nothing like the \$24.6 million judgment below, but that did not deter the Fourth Circuit from striking down Maryland's more modest remedial scheme.

In short, Washington's law is "truly exceptional" (*McCullen*, 573 U.S. at 490)—a "danger sign[]" that the law "fall[s] outside tolerable First Amendment limits." *Randall v. Sorrell*, 548 U.S. 230, 253 (2006) (plurality op.). Washington forces platforms to play a high-stakes game of whack-a-mole with millions of ads,

knowing they risk incurring a five-figure fine if they miss even one covered ad.⁷

C. As the laws of 49 States confirm, Washington law is not narrowly tailored to the State's interest in ensuring transparency in political advertising.

No State other than Washington requires online platforms to perfectly identify covered ads without making exceptions for good faith efforts and to make broad disclosures to any requester within two business days, all under pain of hefty per-ad fines.

That every other State satisfies its interests through less burdensome means underscores that Washington has "too readily forgone options that could serve its interests just as well, without substantially burdening" speech. *McCullen*, 573 U.S. at 490. Indeed, when a State stands alone in imposing burdensome requirements, that indicates that its asserted interest is at best "dubious." *Americans for Prosperity*, 141 S. Ct. at 2387. And even

⁷ As noted (at 6), RCW 42.17A.345's text imposes liability on a per-"request" rather than per-*ad* basis. In concluding otherwise, the superior court turned 12 violations into 822.

assuming, *arguendo*, that Washington law serves some compelling interest, the fact that Washington "is virtually the only State to determine that [its broad disclosure requirements and penalties are] necessary" forecloses the conclusion that Washington law is narrowly tailored to that interest. *Eu*, 489 U.S. at 214-15.

To take only the most obvious examples, Washington can obtain the very same information by either (1) relying on existing disclosures from the candidates and speakers themselves or (2) requiring those candidates and speakers to notify the platform when they buy regulated political advertising and then requiring the platform to disclose only what it learns from those disclosures. As the State's own expert admitted, if existing disclosures are insufficient or untimely, Washington can require "more" and "faster disclosure of information by campaigns or candidates." CP8364-65. To ignore these alternative channels and instead burden third parties with no stake in the outcome of the elections is an unconstitutional means of pursuing greater transparency.

Indeed, Washington law already requires just before elections each ad sponsor to file a special report within 24 hours of the ad's publication. RCW 42.17A.260. This report must include the sponsor's and platform's contact information, a description (and the amount) of the expenditure, publication dates, and the candidate being supported or opposed. RCW 42.17A.260(1)-(3). As in *McManus*, the State has not "show[n] why the marginal value of the small amount of new information ... justif[ies] the weighty First Amendment burdens imposed." 944 F.3d at 523 n.5.

Washington's massive penalties on platforms magnify the burden and chilling effect on speech. As one state legislator explained, "[a] Facebook ad can cost less than five dollars." CP7418. Yet the court below imposed a penalty of \$30,000 per ad—over \$24 million in total. That disproportionate penalty dwarfs candidates' own expenditures in the State's costliest statewide elections, such as the \$5.5 million spent on the 2020 Attorney General race, and is orders of magnitude greater than

the amounts spent on local elections.⁸ Not surprisingly, platforms have voted with their feet, concluding that the costs of carrying Washington political ads far outweigh the benefits. *See* Eric Goldman, *The Constitutionality of Mandating Editorial Transparency*, 73 Hastings L.J. 1204, 1219-20 (2022) (discussing *McManus*'s conclusion that "campaign finance disclosure" laws like Maryland's "economically distort[] publishers' editorial decisions" and calling it "a false equivalency" to treat this "as just another business compliance cost").

II. Washington's law unconstitutionally chills speech and restricts participation in the democratic process.

Laws like Washington's Platform Disclosure Law pose special dangers. Restrictions on political speech, the cornerstone of democracy, are "especially suspect." *McManus*, 944 F.3d at 513. Washington pretends that the law "do[es] not prevent or interfere with speech" (State Br. 1), but it is an inexorable economic fact

⁸ https://www.pdc.wa.gov/political-disclosure-reporting-data/record-setting-campaigns#other% 20statewide% 20offices.

that as burdens accumulate and "additional rules are created for regulating political speech, any speech arguably within their reach is chilled." *Citizens United v. Fed. Election Comm'n*, 558 U.S. 310, 334 (2010).

The law's ultimate burden falls not just on platforms (who are unable to host political ads that they welcome in 49 other States), but on Washington candidates, campaigns, and voters. As Washington state legislators on both sides of the aisle have testified, these online ads are "often the most effective way for candidates and campaigns to communicate with voters and constituents" and "to raise money from individual donors." CP7410; see CP7410-14 (Rep. Stokesbary); CP7416-19 (Sen. Mullet). Online ads are "especially useful for local candidates and campaigns," as they allow for local targeting that TV, radio, and newspaper ads do not, and for non-incumbent challengers relying on "grassroots organizing and small individual donations." CP7412-13, 7417. These candidates and campaigns would advertise online if they could, but Washington law—by imposing impossible burdens and ruinous fines on platforms—effectively bars that speech. The State supposedly wishes to promote transparency, but its law promotes only silence.

The Washington Supreme Court has recognized that laws like these, which "inevitably favor[] certain groups of candidates over others," are "particularly problematic." Collier v. City of Tacoma, 121 Wash. 2d 737, 752 (1993). Collier involved a comparatively minor restriction on political speech: a municipal ordinance banning yard signs more than 60 days before an election. *Ibid.* The law here is not so time-limited: it chills speech 365 days a year, regardless of when the relevant election takes place. And it targets an exponentially greater quantity of speech online ads across the entire State—rather than yard signs in one locale. In a world where the First Amendment requires giving "the benefit of any doubt to protecting rather than stifling speech," this law cannot possibly survive First Amendment scrutiny. Citizens United, 558 U.S. at 327.

CONCLUSION

This Court should reverse and direct the superior court to enter summary judgment for Meta.

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AUGUST 10, 2023

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Dated: August 10, 2023 /S/Stephanie L. Jensen

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