State Government & Tribal Affairs Committee

ESB 6128

Brief Description: Requiring the naming of the person or persons authorized to make expenditures on behalf of a candidate or committee.

Sponsors: Senators Keiser and Kohl-Welles.

Brief Summary of Engrossed Bill

- Requires candidates and political committees to include the name or names of persons authorized to make expenditures on behalf of the candidate or political committee on its statement of organization.
- Clarifies that expenditures directed by persons authorized to make expenditures on behalf of a candidate or political committee is a "contribution".
- States that performance of ministerial functions performed by a person on behalf of one or more candidates or political committees is not a contribution.

Hearing Date: 3/27/07

Staff: Marsha Reilly (786-7135).

Background:

Under campaign finance laws, candidates and political committees are required to file a statement of organization with the Public Disclosure Commission (PDC). The statement of organization must include information such as the name and address of the committee, the names and addresses of all related or affiliated committees or other persons, and the names and addresses of its officers including the treasurer.

All monetary contributions received by a candidate or political committee must be deposited by the treasurer into an account established and designated for that purpose. All contributions must be reported to the PDC at regular intervals as set forth in statute. Expenditures may be

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made by a candidate or political committee only on the authority of the treasurer or the candidate, and a record of all expenditures must be maintained by the treasurer.

Campaign finance laws provide a definition of "contribution" and further define what is not a "contribution." Generally, a contribution includes:

- a loan, gift, forgiveness of debt, or anything of value;
- an expenditure made by a person in cooperation with a candidate or a political committee or their agents;
- the financing of political advertising or an electioneering communication by a person in cooperation with a candidate, a political committee, or their agents; and
- sums paid for tickets to fund-raising events.

A "contribution" does not include:

- interest on money in the committee's account;
- ordinary home hospitality;
- volunteer campaign services;
- news items or feature stories; or
- legal or accounting services if the person providing the service is the employee of the individual paying for the service. In the case of candidates, these services are not contributions only if the services are to ensure compliance with state election or public disclosure laws.

Summary of Bill:

The definition of "contribution" is amended to include an expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, the person or persons named on the candidate's or committee's registration form who directs expenditures on behalf of the candidate or committee. "Contribution" does not include the performance of ministerial functions by a person or persons on behalf of one or more candidates or political committees.

The statement of organization filed by a political committee must include the name, address, and title of the person or persons who direct expenditures on behalf of the candidate or committee. The person or persons named on the candidate's or committee's registration form, instead of the treasurer, may authorize expenditures by any candidate or political committee.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect January 1, 2008.