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## HOUSE BILL 1362

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State of Washington 60th Legislature 2007 Regular Session

By Representatives Miloscia, Chase and Ormsby

Read first time 01/17/2007. Referred to Committee on State Government & Tribal Affairs.

- AN ACT Relating to campaign finance reform; amending RCW 42.17.360,
- 2 42.17.640, 42.17.510, 42.17.105, and 42.17.020; adding new sections to
- 3 chapter 42.17 RCW; and adding a new section to chapter 42.56 RCW.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 42.17.360 and 1973 c 1 s 36 are each amended to read 6 as follows:
- 7 The commission shall:

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- (1) Develop and provide forms for the reports and statements required to be made under this chapter;
- 10 (2) Prepare and publish a manual setting forth recommended uniform 11 methods of bookkeeping and reporting for use by persons required to 12 make reports and statements under this chapter;
- 13 (3) Compile and maintain a current list of all filed reports and statements;
- 15 (4) Investigate whether properly completed statements and reports 16 have been filed within the times required by this chapter;
- 17 (5) Upon complaint or upon its own motion, investigate and report
  18 apparent violations of this chapter to the appropriate law enforcement
  19 authorities;

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- 1 (6) Prepare and publish an annual report to the governor as to the 2 effectiveness of this chapter and its enforcement by appropriate law 3 enforcement authorities; ((and))
  - (7) Prepare and submit to the appropriate committees of the legislature any recommendations for campaign finance reforms specifically directed to achieve goals toward (a) legislative and judicial independence; (b) reducing the cost of campaigns; and (c) reducing the influence of large organizational contributors; and
  - (8) Enforce this chapter according to the powers granted it by law.
- 10 **Sec. 2.** RCW 42.17.640 and 2006 c 348 s 1 are each amended to read 11 as follows:
  - (1) The contribution limits in this section apply to:
  - (a) Candidates for state legislative office;
- 14 (b) Candidates for state office other than state legislative 15 office;
- 16 (c) Candidates for county office in a county that has over two hundred thousand registered voters;
  - (d) Candidates for special purpose district office if that district is authorized to provide freight and passenger transfer and terminal facilities and that district has over two hundred thousand registered voters;
- (e) Persons holding an office in (a) through (d) of this subsection against whom recall charges have been filed or to a political committee having the expectation of making expenditures in support of the recall of a person holding the office;
  - (f) Caucus political committees;
  - (g) Bona fide political parties.

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(2) No person, other than a bona fide political party or a caucus political committee, may make contributions to a candidate for a state legislative office or county office that in the aggregate exceed seven hundred dollars or to a candidate for a public office in a special purpose district or a state office other than a state legislative office that in the aggregate exceed one thousand four hundred dollars for each election in which the candidate is on the ballot or appears as a write-in candidate. Contributions to candidates subject to the limits in this section made with respect to a primary may not be made after the date of the primary. However, contributions to a candidate

or a candidate's authorized committee may be made with respect to a primary until thirty days after the primary, subject to the following limitations: (a) The candidate lost the primary; (b) the candidate's authorized committee has insufficient funds to pay debts outstanding as of the date of the primary; and (c) the contributions may only be raised and spent to satisfy the outstanding debt. Contributions to candidates subject to the limits in this section made with respect to a general election may not be made after the final day of the applicable election cycle.

- (3) No person, other than a bona fide political party or a caucus political committee, may make contributions to a state official, a county official, or a public official in a special purpose district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the state official, county official, or public official in a special purpose district during a recall campaign that in the aggregate exceed seven hundred dollars if for a state legislative office or county office or one thousand four hundred dollars if for a special purpose district office or a state office other than a state legislative office.
- (4)(a) Notwithstanding subsection (2) of this section, no bona fide political party or caucus political committee may make contributions to a candidate during an election cycle that in the aggregate exceed (i) seventy cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is elected if the contributor is a caucus political committee or the governing body of a state organization, or (ii) thirty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No candidate may accept contributions from a county central committee or a legislative district committee during an election cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate exceed thirty-five cents times the number of registered voters in the jurisdiction from which the candidate is elected.
- (5)(a) Notwithstanding subsection (3) of this section, no bona fide political party or caucus political committee may make contributions to

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a state official, county official, or a public official in a special purpose district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the state official, county official, or a public official in a special purpose district during a recall campaign that in the aggregate exceed (i) seventy cents multiplied by the number of eligible registered voters in the jurisdiction entitled to recall the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) thirty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.

- (b) No official holding an office specified in subsection (1) of this section against whom recall charges have been filed, no authorized committee of the official, and no political committee having the expectation of making expenditures in support of the recall of the official may accept contributions from a county central committee or a legislative district committee during an election cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate exceed thirty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected.
- (6) For purposes of determining contribution limits under subsections (4) and (5) of this section, the number of eligible registered voters in a jurisdiction is the number at the time of the most recent general election in the jurisdiction.
- (7) Notwithstanding subsections (2) through (5) of this section, no person other than an individual, bona fide political party, or caucus political committee may make contributions reportable under this chapter to a caucus political committee that in the aggregate exceed seven hundred dollars in a calendar year or to a bona fide political party that in the aggregate exceed three thousand five hundred dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business.
- (8) No candidate may accept contributions that, in the aggregate, exceed five thousand dollars in an election cycle from all political committees, except for bona fide political parties or caucus political committees.

(9) For the purposes of RCW 42.17.640 through 42.17.790, a contribution to the authorized political committee of a candidate or of an official specified in subsection (1) of this section against whom recall charges have been filed is considered to be a contribution to the candidate or official.

((+9))) (10) A contribution received within the twelve-month period after a recall election concerning an office specified in subsection (1) of this section is considered to be a contribution during that recall campaign if the contribution is used to pay a debt or obligation incurred to influence the outcome of that recall campaign.

(((10))) (11) The contributions allowed by subsection (3) of this section are in addition to those allowed by subsection (2) of this section, and the contributions allowed by subsection (5) of this section are in addition to those allowed by subsection (4) of this section.

((<del>(11)</del>)) (12) RCW 42.17.640 through 42.17.790 apply to a special election conducted to fill a vacancy in an office specified in subsection (1) of this section. However, the contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not be counted toward any of the limitations that apply to the candidate or to contributions made to the candidate for any other primary or election.

 $((\frac{(12)}{(12)}))$  (13) Notwithstanding the other subsections of this section, no  $((\frac{(corporation - corporation - corporatio$ 

 $((\frac{13}{13}))$   $\underline{(14)}$  Notwithstanding the other subsections of this section, no county central committee or legislative district committee may make contributions reportable under this chapter to a candidate specified in subsection (1) of this section, or an official specified

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- 1 in subsection (1) of this section against whom recall charges have been
- 2 filed, or political committee having the expectation of making
- 3 expenditures in support of the recall of an official specified in
- 4 subsection (1) of this section if the county central committee or
- 5 legislative district committee is outside of the jurisdiction entitled
- 6 to elect the candidate or recall the official.
- 7  $((\frac{14}{14}))$  (15) No person may accept contributions that exceed the contribution limitations provided in this section.
- 9  $((\frac{(15)}{(16)}))$  (16) The following contributions are exempt from the contribution limits of this section:
- 11 (a) An expenditure or contribution earmarked for voter 12 registration, for absentee ballot information, for precinct caucuses, 13 for get-out-the-vote campaigns, for precinct judges or inspectors, for
- 14 sample ballots, or for ballot counting, all without promotion of or
- 15 political advertising for individual candidates; or
- 16 (b) An expenditure by a political committee for its own internal
- 17 organization or fund raising without direct association with individual
- 18 candidates.
- 19 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 42.17 RCW 20 to read as follows:
- No person may make contributions to a political committee that in
- the aggregate, exceed one thousand dollars in any year. No political
- 23 committee shall accept a contribution from any person that, in the
- 24 aggregate, exceeds one thousand dollars in any year. No person may
- 25 make contributions to all political committees that, in the aggregate,
- 26 exceed three thousand five hundred dollars in any year.
- NEW SECTION. Sec. 4. A new section is added to chapter 42.17 RCW to read as follows:
- 29 (1) No corporation, limited liability partnership, or limited
- 30 liability company formed under the laws of this or any other state and
- 31 no labor organization may use its general treasury funds to make a
- 32 contribution or expenditure in connection with the election of a
- 33 candidate or a political convention or caucus held to select candidates
- 34 for any public office.
- 35 (2) No candidate for public office, political committee or other
- 36 person may accept or receive a contribution prohibited by this section.

- (3) No officer or director of any corporation, limited liability partnership, limited liability company, or labor organization may consent to any contribution or expenditure by the corporation, limited liability partnership, or labor organization prohibited by this section.
- (4) This section does not prohibit a corporation, limited liability partnership, limited liability company, or labor organization from:
- (a) Using its general treasury funds for the purpose of nonpartisan registration and get-out-the-vote campaigns aimed at its stockholders and executive or administrative personnel and their families or, in the case of a labor organization, aimed at its members and their families;
- (b) Establishing, administering, or soliciting contributions to a separate segregated fund to be utilized for political purposes as long as the solicitations are limited to stockholders and their families and its executive or administrative personnel and their families in the case of corporations, or from members and their families in the case of labor organizations;
- (c) Engaging in activities that do not constitute electioneering communications as identified in RCW 42.17.020(21).
  - (5) This section does not apply to:

- (a) Political committees that incorporate solely for liability purposes; or
  - (b) Voluntary political associations that are formed solely to promote political ideas and do not engage in business activities, do not have shareholders or other affiliated persons who can lay a claim to the assets or earnings, and are not established by a business corporation or labor union and do not accept contributions from such entities.
- NEW SECTION. Sec. 5. A new section is added to chapter 42.17 RCW to read as follows:

No individual or entity that has a contract with the state valued at one hundred thousand dollars or more, and no person employed by that individual or entity as a manager, officer, director, partner, or employee with managerial or discretionary responsibilities, may make a political contribution to a candidate for state office or to a party committee. No political committee established by such an individual or entity may make a political contribution to a candidate for state

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- 1 office or to a party committee. No candidate for state office and no
- 2 party committee may accept a contribution from an individual or entity
- 3 that has a contract with the state valued at one hundred thousand
- 4 dollars or more.

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- 5 Sec. 6. RCW 42.17.510 and 2005 c 445 s 9 are each amended to read 6 as follows:
  - (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 materials 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 by a person or entity other than a party organization, and all electioneering communications, must include the following statement as part of the communication "NOTICE TO VOTERS (Required by law): This advertisement is not authorized or approved by any candidate. paid for by (name, address, city, state)." If the advertisement undertaken as an independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following notation must also be included: "((Top Five)) Major Contributors," followed by a listing of the names of ((the five)) persons or entities ((making the largest contributions in excess of seven)) that have contributed more than five hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement or communication.
  - (3) The statements and listings of contributors required by subsections (1) and (2) of this section shall:
- 36 (a) Appear on the first page or fold of the written advertisement 37 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.

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- (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)." advertisement or communication is undertaken by a nonindividual other than a party organization, then the following notation must also be "((Top Five)) Major Contributors" followed by a listing of the names of ((the five)) persons or entities ((making the largest contributions in excess of seven)) that have contributed more than five hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.
  - 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)) Major Contributors" followed by a listing of the names of ((the five)) persons or entities making ((the largest)) contributions in excess of ((seven)) five hundred dollars reportable under this chapter during the twelve-month period before the date of the advertisement. 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 yard signs are exempt from the requirement of subsections (1) and (2) of this section that the name and address of the sponsor of political advertising be listed on the advertising. In addition, the public disclosure commission shall, by rule, exempt from

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- the identification requirements of subsections (1) and (2) of this section forms of political advertising such as campaign buttons,
- 3 balloons, pens, pencils, sky-writing, inscriptions, and other forms of
- 4 advertising where identification is impractical.

- 5 (7) For the purposes of this section, "yard sign" means any outdoor 6 sign with dimensions no greater than eight feet by four feet.
- **Sec. 7.** RCW 42.17.105 and 2001 c 54 s 2 are each amended to read 8 as follows:
  - (1) ((Campaign)) <u>Treasurers</u> shall prepare and deliver to the commission a special report regarding any contribution or aggregate of contributions which: Is one thousand dollars or more; is from a single person or entity; and is received during a special reporting period.

Any political committee making a contribution or an aggregate of contributions to a single entity which is one thousand dollars or more shall also prepare and deliver to the commission the special report if the contribution or aggregate of contributions is made during a special reporting period.

For the purposes of subsections (1) through (7) of this section:

- (a) Each of the following intervals is a special reporting period:
  (i) The interval beginning after the period covered by the last report required by RCW 42.17.080 and 42.17.090 to be filed before a primary and concluding on the end of the day before that primary; and (ii) the interval composed of the twenty-one days preceding a general election; and
- (b) An aggregate of contributions includes only those contributions received from a single entity during any one special reporting period or made by the contributing political committee to a single entity during any one special reporting period.
- (2) If a ((campaign)) treasurer files a special report under this section for one or more contributions received from a single entity during a special reporting period, the treasurer shall also file a special report under this section for each subsequent contribution of any size which is received from that entity during the special reporting period. If a political committee files a special report under this section for a contribution or contributions made to a single entity during a special reporting period, the political committee shall

also file a special report for each subsequent contribution of any size which is made to that entity during the special reporting period.

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- (3) Except as provided in subsection (4) of this section, the special report required by this section shall be delivered electronically or in written form, including but not limited to mailgram, telegram, or nightletter. The special report required of a contribution recipient by subsection (1) of this section shall be delivered to the commission within forty-eight hours of the time, or on the first working day after: The contribution of one thousand dollars or more is received by the candidate or treasurer; the aggregate received by the candidate or treasurer first equals one thousand dollars or more; or the subsequent contribution that must be reported under subsection (2) of this section is received by the candidate or treasurer. The special report required of a contributor by subsection (1) of this section or RCW 42.17.175 shall be delivered to the commission, and the candidate or political committee to whom the contribution or contributions are made, within twenty-four hours of the time, or on the first working day after: The contribution is made; the aggregate of contributions made first equals one thousand dollars or more; or the subsequent contribution that must be reported under subsection (2) of this section is made.
  - (4) The special report may be transmitted orally by telephone to the commission to satisfy the delivery period required by subsection (3) of this section if the written form of the report is also mailed to the commission and postmarked within the delivery period established in subsection (3) of this section or the file transfer date of the electronic filing is within the delivery period established in subsection (3) of this section.
    - (5) The special report shall include at least:
    - (a) The amount of the contribution or contributions;
    - (b) The date or dates of receipt;
    - (c) The name and address of the donor;
    - (d) The name and address of the recipient; and
- 34 (e) Any other information the commission may by rule require.
- 35 (6) Contributions reported under this section shall also be 36 reported as required by other provisions of this chapter.
- 37 (7) The commission shall prepare daily a summary of the special reports made under this section and RCW 42.17.175.

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- (8) It is a violation of this chapter for any person to make, or 1 2 for any candidate or political committee to accept from any one person, contributions reportable under RCW 42.17.090 in the aggregate exceeding 3 fifty thousand dollars for any campaign for statewide office or 4 5 exceeding ((five)) three thousand dollars for any other campaign subject to the provisions of this chapter within ((twenty-one)) forty-6 7 five days of a general election. This subsection does not apply to contributions made by, or accepted from, a bona fide political party as 8 defined in this chapter, excluding the county central committee or 9 10 legislative district committee.
- 11 (9) Contributions governed by this section include, but are not 12 limited to, contributions made or received indirectly through a third 13 party or entity whether the contributions are or are not reported to 14 the commission as earmarked contributions under RCW 42.17.135.
- 15 **Sec. 8.** RCW 42.17.020 and 2005 c 445 s 6 are each amended to read 16 as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Actual malice" means to act with knowledge of falsity or with reckless disregard as to truth or falsity.
  - (2) "Agency" includes all state agencies and all local agencies. "State agency" includes every state office, department, division, bureau, board, commission, or other state agency. "Local agency" includes every county, city, town, municipal corporation, quasi-municipal corporation, or special purpose district, or any office, department, division, bureau, board, commission, or agency thereof, or other local public agency.
  - (3) "Authorized committee" means the political committee authorized by a candidate, or by the public official against whom recall charges have been filed, to accept contributions or make expenditures on behalf of the candidate or public official.
- (4) "Ballot proposition" means any "measure" as defined by RCW 29A.04.091, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of the state or any municipal corporation, political subdivision, or other voting constituency from and after the time when the proposition has been initially filed with

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the appropriate election officer of that constituency prior to its circulation for signatures.

- (5) "Benefit" means a commercial, proprietary, financial, economic, or monetary advantage, or the avoidance of a commercial, proprietary, financial, economic, or monetary disadvantage.
  - (6) "Bona fide political party" means:

- (a) An organization that has filed a valid certificate of nomination with the secretary of state under chapter 29A.20 RCW;
- (b) The governing body of the state organization of a major political party, as defined in RCW 29A.04.086, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or
- (c) The county central committee or legislative district committee of a major political party. There may be only one legislative district committee for each party in each legislative district.
- 16 (7) "Depository" means a bank designated by a candidate or political committee pursuant to RCW 42.17.050.
  - (8) "Treasurer" and "deputy treasurer" mean the individuals appointed by a candidate or political committee, pursuant to RCW 42.17.050, to perform the duties specified in that section.
  - (9) "Candidate" means any individual who seeks nomination for election or election to public office. An individual seeks nomination or election when he or she first:
  - (a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote his or her candidacy for office;
    - (b) Announces publicly or files for office;
  - (c) Purchases commercial advertising space or broadcast time to promote his or her candidacy; or
    - (d) Gives his or her consent to another person to take on behalf of the individual any of the actions in (a) or (c) of this subsection.
    - (10) "Caucus political committee" means a political committee organized and maintained by the members of a major political party in the state senate or state house of representatives.
    - (11) "Commercial advertiser" means any person who sells the service of communicating messages or producing printed material for broadcast or distribution to the general public or segments of the general public whether through the use of newspapers, magazines, television and radio

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- stations, billboard companies, direct mail advertising companies, printing companies, or otherwise.
  - (12) "Commission" means the agency established under RCW 42.17.350.
- 4 (13) "Compensation" unless the context requires a narrower meaning, includes payment in any form for real or personal property or services of any kind: PROVIDED, That for the purpose of compliance with RCW 42.17.241, the term "compensation" shall not include per diem allowances or other payments made by a governmental entity to reimburse a public official for expenses incurred while the official is engaged in the official business of the governmental entity.
  - (14) "Continuing political committee" means a political committee that is an organization of continuing existence not established in anticipation of any particular election campaign.
    - (15)(a) "Contribution" includes:

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- (i) A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or anything of value, including personal and professional services for less than full consideration;
- (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political committee, or their agents;
  - (iii) The financing by a person of the dissemination, distribution, or republication, in whole or in part, of broadcast, written, graphic, or other form of political advertising or electioneering communication prepared by a candidate, a political committee, or its authorized agent;
- (iv) Sums paid for tickets to fund-raising events such as dinners and parties, except for the actual cost of the consumables furnished at the event.
  - (b) "Contribution" does not include:
- 31 (i) Standard interest on money deposited in a political committee's account;
  - (ii) Ordinary home hospitality;
  - (iii) A contribution received by a candidate or political committee that is returned to the contributor within five business days of the date on which it is received by the candidate or political committee;
- 37 (iv) A news item, feature, commentary, or editorial in a regularly 38 scheduled news medium that is of primary interest to the general

public, that is in a news medium controlled by a person whose business is that news medium, and that is not controlled by a candidate or a political committee;

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- (v) An internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
- (vi) The rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this section, means services or labor for which the individual is not compensated by any person;
- (vii) Messages in the form of reader boards, banners, or yard or window signs displayed on a person's own property or property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made must be reported as an inkind contribution and counts towards any applicable contribution limit of the person providing the facility;
  - (viii) Legal or accounting services rendered to or on behalf of:
- (A) A political party or caucus political committee if the person paying for the services is the regular employer of the person rendering such services; or
- (B) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws.
- (c) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or political committee are deemed a contribution. Such a contribution must be reported as an in-kind contribution at its fair market value and counts towards any applicable contribution limit of the provider.
- (16) "Elected official" means any person elected at a general or special election to any public office, and any person appointed to fill a vacancy in any such office.

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(17) "Election" includes any primary, general, or special election for public office and any election in which a ballot proposition is submitted to the voters: PROVIDED, That an election in which the qualifications for voting include other than those requirements set forth in Article VI, section 1 (Amendment 63) of the Constitution of the state of Washington shall not be considered an election for purposes of this chapter.

- (18) "Election campaign" means any campaign in support of or in opposition to a candidate for election to public office and any campaign in support of, or in opposition to, a ballot proposition.
- (19) "Election cycle" means the period beginning on the first day of December after the date of the last previous general election for the office that the candidate seeks and ending on November 30th after the next election for the office. In the case of a special election to fill a vacancy in an office, "election cycle" means the period beginning on the day the vacancy occurs and ending on November 30th after the special election.
- (20) "Electioneering communication" means any broadcast, cable, or satellite television or radio transmission, United States postal service mailing, billboard, newspaper, or periodical that:
- (a) Clearly identifies a candidate for a state, local, or judicial office either by specifically naming the candidate, or identifying the candidate without using the candidate's name;
- (b) Is broadcast, transmitted, mailed, erected, distributed, or otherwise published within sixty days before any election for that office in the jurisdiction in which the candidate is seeking election; and
- (c) Either alone, or in combination with one or more communications identifying the candidate by the same sponsor during the sixty days before an election, has a fair market value of five thousand dollars or more.
  - (21) "Electioneering communication" does not include:
- 33 (a) Usual and customary advertising of a business owned by a 34 candidate, even if the candidate is mentioned in the advertising when 35 the candidate has been regularly mentioned in that advertising 36 appearing at least twelve months preceding his or her becoming a 37 candidate;

- (b) Advertising for candidate debates or forums when the advertising is paid for by or on behalf of the debate or forum sponsor, so long as two or more candidates for the same position have been invited to participate in the debate or forum;
  - (c) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is:
    - (i) Of primary interest to the general public;
- 8 (ii) In a news medium controlled by a person whose business is that 9 news medium; and
- 10 (iii) Not a medium controlled by a candidate or a political 11 committee;
  - (d) Slate cards and sample ballots;

- (e) Advertising for books, films, dissertations, or similar works
  (i) written by a candidate when the candidate entered into a contract
  for such publications or media at least twelve months before becoming
  a candidate, or (ii) written about a candidate;
  - (f) Public service announcements;
  - (g) A mailed internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
  - (h) An expenditure by or contribution to the authorized committee of a candidate for state, local, or judicial office; or
    - (i) Any other communication exempted by the commission through rule consistent with the intent of this chapter.
    - (22) "Expenditure" includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. The term "expenditure" also includes a promise to pay, a payment, or a transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For the purposes of this chapter, agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until actual payment is made. The

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- term "expenditure" shall not include the partial or complete repayment by a candidate or political committee of the principal of a loan, the receipt of which loan has been properly reported.
- 4 (23) "Final report" means the report described as a final report in 5 RCW 42.17.080(2).
  - (24) "General election" for the purposes of RCW 42.17.640 means the election that results in the election of a person to a state office. It does not include a primary.
    - (25) "Gift," is as defined in RCW 42.52.010.

- (26) "Immediate family" includes the spouse, dependent children, and other dependent relatives, if living in the household. For the purposes of RCW 42.17.640 through 42.17.790, "immediate family" means an individual's spouse, and child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, sister, or half sister of the individual and the spouse of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, sister, or half sister of the individual's spouse and the spouse of any such person.
- 19 (27) "Incumbent" means a person who is in present possession of an elected office.
  - (28) "Independent expenditure" means an expenditure that has each of the following elements:
  - (a) It is made in support of or in opposition to a candidate for office by a person who is not (i) a candidate for that office, (ii) an authorized committee of that candidate for that office, (iii) a person who has received the candidate's encouragement or approval to make the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office, or (iv) a person with whom the candidate has collaborated for the purpose of making the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office;
- 34 (b) The expenditure pays in whole or in part for political 35 advertising that either specifically names the candidate supported or 36 opposed, or clearly and beyond any doubt identifies the candidate 37 without using the candidate's name; and

(c) The expenditure, alone or in conjunction with another expenditure or other expenditures of the same person in support of or opposition to that candidate, has a value of five hundred dollars or more. A series of expenditures, each of which is under five hundred dollars, constitutes one independent expenditure if their cumulative value is five hundred dollars or more.

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- (29)(a) "Intermediary" means an individual who transmits a contribution to a candidate or committee from another person unless the contribution is from the individual's employer, immediate family as defined for purposes of RCW 42.17.640 through 42.17.790, or an association to which the individual belongs.
- (b) A treasurer or a candidate is not an intermediary for purposes of the committee that the treasurer or candidate serves.
- (c) A professional fund-raiser is not an intermediary if the fund-raiser is compensated for fund-raising services at the usual and customary rate.
- (d) A volunteer hosting a fund-raising event at the individual's home is not an intermediary for purposes of that event.
  - (30) "Labor organization" means any organization of any kind, or any agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.
  - (31) "Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor.
- ((\(\frac{(31)}{)}\)) (32) "Lobby" and "lobbying" each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state Administrative Procedure Act, chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's or other organization's act of communicating with the members of that association or organization.

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 $((\frac{32}{32}))$  "Lobbyist" includes any person who lobbies either in 2 his or her own or another's behalf.

- (((33))) (34) "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom he or she is compensated for acting as a lobbyist.
- (((34))) (35) "Participate" means that, with respect to a particular election, an entity:
  - (a) Makes either a monetary or in-kind contribution to a candidate;
- (b) Makes an independent expenditure or electioneering communication in support of or opposition to a candidate;
  - (c) Endorses a candidate prior to contributions being made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent;
  - (d) Makes a recommendation regarding whether a candidate should be supported or opposed prior to a contribution being made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent; or
  - (e) Directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support of or opposition to a candidate, including, but not limited to, the amount of a contribution, when a contribution should be given, and what assistance, services or independent expenditures, or electioneering communications, if any, will be made or should be made in support of or opposition to a candidate.
  - (((35))) (36) "Person" includes an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized.
  - $((\frac{36}{)})$  (37) "Person in interest" means the person who is the subject of a record or any representative designated by that person, except that if that person is under a legal disability, the term "person in interest" means and includes the parent or duly appointed legal representative.
- $((\frac{37}{1}))$  (38) "Political advertising" includes any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, or other

means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support or opposition in any election campaign.

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- (((38))) (39) "Political committee" means any person (except a candidate or an individual dealing with his or her 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.
- ((<del>(39)</del>)) <u>(40)</u> "Primary" for the purposes of RCW 42.17.640 means the procedure for nominating a candidate to state office under chapter 29A.52 RCW or any other primary for an election that uses, in large measure, the procedures established in chapter 29A.52 RCW.
- ((\(\frac{40}{10}\))) (41) "Public office" means any federal, state, judicial, county, city, town, school district, port district, special district, or other state political subdivision elective office.
  - (((41) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also means the following: All budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions; reports submitted to the legislature; and any other record designated a public record by any official action of the senate or the house of representatives.))
  - (42) "Recall campaign" means the period of time beginning on the date of the filing of recall charges under RCW 29A.56.120 and ending thirty days after the recall election.
  - (43) "Sponsor of an electioneering communications, independent expenditures, or political advertising" means the person paying for the electioneering communication, independent expenditure, or political advertising. If a person acts as an agent for another or is reimbursed by another for the payment, the original source of the payment is the sponsor.
  - (44) "State legislative office" means the office of a member of the

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state house of representatives or the office of a member of the state senate.

- (45) "State office" means state legislative office or the office of governor, lieutenant governor, secretary of state, attorney general, commissioner of public lands, insurance commissioner, superintendent of public instruction, state auditor, or state treasurer.
  - (46) "State official" means a person who holds a state office.
- (47) "Surplus funds" mean, in the case of a political committee or candidate, the balance of contributions that remain in the possession or control of that committee or candidate subsequent to the election for which the contributions were received, and that are in excess of the amount necessary to pay remaining debts incurred by the committee or candidate prior to that election. In the case of a continuing political committee, "surplus funds" mean those contributions remaining in the possession or control of the committee that are in excess of the amount necessary to pay all remaining debts when it makes its final report under RCW 42.17.065.
- (48) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation, including, but not limited to, letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, motion picture, film and video recordings, magnetic or punched cards, discs, drums, diskettes, sound recordings, and other documents including existing data compilations from which information may be obtained or translated.
- 27 ((As used in this chapter, the singular shall take the plural and any gender, the other, as the context requires.))
- NEW SECTION. Sec. 9. A new section is added to chapter 42.56 RCW to read as follows:

"Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained local agency regardless of physical form by any state or characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also

- 1 means the following: All budget and financial records; personnel
- 2 leave, travel, and payroll records; records of legislative sessions;
- 3 reports submitted to the legislature; and any other record designated
- 4 a public record by any official action of the senate or the house of
- 5 representatives.

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