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HOUSE BILL 2037

State of Washington 54th Legislature 1995 Regular Session

By Representatives Mielke, Ebersole, Goldsmith and L. Thomas; by request of Public Disclosure Commission

Read first time 02/22/95. Referred to Committee on Government Operations.

- 1 AN ACT Relating to public disclosure; amending RCW 42.17.020,
- 2 42.17.080, 42.17.090, 42.17.105, 42.17.155, 42.17.240, 42.17.370,
- 3 42.17.420, 42.17.510, 42.17.640, 42.17.750, 42.17.790, and 42.52.180;
- 4 reenacting and amending RCW 42.17.2401; repealing RCW 42.17.021 and
- 5 42.17.630; and providing an effective date.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 42.17.020 and 1992 c 139 s 1 are each amended to read 8 as follows:
- 9 (1) "Agency" includes all state agencies and all local agencies.
- 10 "State agency" includes every state office, department, division,
- 11 bureau, board, commission, or other state agency. "Local agency"
- 12 includes every county, city, town, municipal corporation, quasi-
- 13 municipal corporation, or special purpose district, or any office,
- 14 department, division, bureau, board, commission, or agency thereof, or
- 15 other local public agency.
- 16 (2) "Authorized committee" means the political committee authorized
- 17 by a candidate, or by the public official against whom recall charges
- 18 have been filed, to accept contributions or make expenditures on behalf
- 19 of the candidate or public official.

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- 1 (3) "Ballot proposition" means any "measure" as defined by RCW 29.01.110, 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 the appropriate election officer of that constituency prior to its circulation for signatures.
- 8 (((3))) (4) "Benefit" means a commercial, proprietary, financial, 9 economic, or monetary advantage, or the avoidance of a commercial, 10 proprietary, financial, economic, or monetary disadvantage.
- 11 <u>(5) "Bona fide political party" means:</u>
- 12 <u>(a) An organization that has filed a valid certificate of</u>
 13 nomination with the secretary of state under chapter 29.24 RCW;
- (b) The governing body of the state organization of a major political party, as defined in RCW 29.01.090, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or
- 18 <u>(c) The county central committee or legislative district committee</u>
 19 of a major political party.
- 20 <u>(6)</u> "Depository" means a bank designated by a candidate or 21 political committee pursuant to RCW 42.17.050.
- $((\frac{4}{1}))$ (7) "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.
- 25 (((5))) <u>(8)</u> "Candidate" means any individual who seeks <u>nomination</u>
 26 <u>for election or election to public office</u>. An individual ((shall be
 27 <u>deemed to seek</u>)) <u>seeks nomination or election when he <u>or she</u> first:</u>
- (a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote his <u>or her</u> candidacy for office; ((or))
- 31 (b) Announces publicly or files for office;
- 32 <u>(c) Purchases commercial advertising space or broadcast time to</u> 33 promote his or her candidacy; or
- 34 (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.
- (9) "Caucus of the state legislature" means the caucus of members
 of a major political party in the state house of representatives or in
 the state senate and a political committee established, financed,

39 <u>maintained</u>, or controlled by these members.

- (((6))) (10) "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 stations, billboard companies, direct mail advertising companies, printing companies, or otherwise.
- 7 $((\frac{7}{1}))$ (11) "Commission" means the agency established under RCW 8 42.17.350.
- 9 ((\(\frac{(\(\frac{8}{2}\)}\))) (12) "Compensation" unless the context requires a narrower 10 meaning, includes payment in any form for real or personal property or 11 services of any kind: PROVIDED, That for the purpose of compliance 12 with RCW 42.17.241, the term "compensation" shall not include per diem 13 allowances or other payments made by a governmental entity to reimburse 14 a public official for expenses incurred while the official is engaged 15 in the official business of the governmental entity.
- 16 ((+9)) (13) "Continuing political committee" means a political 17 committee that is an organization of continuing existence not 18 established in anticipation of any particular election campaign.
- 19 $((\frac{(10)}{(10)}))$ $\underline{(14)(a)}$ "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 ((transfer of)) anything of value, including personal and professional services for less than full consideration((, but does not include interest on moneys deposited in a political committee's account, ordinary home hospitality and 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 chapter, means services or labor for which the individual is not compensated by any person. For the purposes of this chapter, contributions other than money or its equivalents shall be deemed to have a money value equivalent to the fair market value of the contribution. Sums paid for tickets to fund-raising events such as dinners and parties are contributions; however, the amount of any such contribution may be reduced for the purpose of complying with the reporting requirements of this chapter, by the actual cost of consumables furnished in connection with the purchase of the tickets,

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- and only the excess over the actual cost of the consumables shall be deemed a contribution));
- 3 (ii) An expenditure made by a person in cooperation, consultation,
- 4 or concert with, or at the request or suggestion of, a candidate, a
- 5 political committee, or their agents;
- 6 (iii) The financing by a person of the dissemination, distribution,
- 7 or republication, in whole or in part, of broadcast, written, graphic,
- 8 or other form of political advertising prepared by a candidate, a
- 9 political committee, or its authorized agent;
- 10 (iv) Sums paid for tickets to fund-raising events such as dinners
- 11 and parties, except for the actual cost of the consumables furnished at
- 12 the event.
- 13 (b) Subject to further definition by rule of the commission,
- 14 <u>"contribution" does not include:</u>
- 15 (i) Standard interest on money deposited in a political committee's
- 16 <u>account;</u>
- 17 <u>(ii) Ordinary home hospitality;</u>
- 18 (iii) A contribution received by a candidate or political committee
- 19 that is returned to the contributor within five business days of the
- 20 date on which it is received by the candidate or political committee;
- 21 (iv) A news item, feature, commentary, or editorial in a regularly
- 22 scheduled news medium that is of primary interest to the general
- 23 public, that is in a news medium controlled by a person whose business
- 24 is that news medium, and that is not controlled by a candidate or a
- 25 political committee;
- 26 <u>(v) An internal political communication primarily limited to the</u>
- 27 contributors to a political party organization or political committee,
- 28 or to the officers, management staff, or stockholders of a corporation
- 29 or similar enterprise, or to the members of a labor organization or
- 30 <u>other membership organization;</u>
- 31 (vi) The rendering of personal services of the sort commonly
- 32 performed by volunteer campaign workers, or incidental expenses
- 33 personally incurred by volunteer campaign workers not in excess of
- 34 fifty dollars personally paid for by the worker. "Volunteer services,"
- 35 for the purposes of this section, means services or labor for which the
- 36 individual is not compensated by any person and that are performed
- 37 <u>outside the individual's normal working hours;</u>
- 38 (vii) Messages in the form of reader boards, banners, or yard or
- 39 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.

 (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.

 $((\frac{11}{11}))$ (15) "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.

((\(\frac{(12)}{12}\))) (16) "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.

 $((\frac{13}{13}))$ (17) "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.

((\(\frac{(14)}{)}\)) (18) "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.

(19) "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

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- 1 opposing any election campaign. For the purposes of this chapter,
- 2 agreements to make expenditures, contracts, and promises to pay may be
- 3 reported as estimated obligations until actual payment is made. The
- 4 term "expenditure" shall not include the partial or complete repayment
- 5 by a candidate or political committee of the principal of a loan, the
- 6 receipt of which loan has been properly reported.
- 7 $((\frac{(15)}{)})$ <u>(20)</u> "Final report" means the report described as a final 8 report in RCW 42.17.080(2).
- 9 (((16))) (21) "General election" means the election that results in
- 10 the election of a person to a state office. It does not include a
- 11 primary.
- 12 (22) "Gift," for the purposes of RCW 42.17.170 and 42.17.2415,
- 13 means a rendering of anything of value in return for which reasonable
- 14 consideration is not given and received and includes a rendering of
- 15 money, property, services, discount, loan forgiveness, payment of
- 16 indebtedness, or reimbursements from or payments by persons (other than
- 17 the federal government, or the state of Washington or any agency or
- 18 political subdivision thereof) for travel or anything else of value.
- 19 The term "reasonable consideration" refers to the approximate range of
- 20 consideration that exists in transactions not involving donative
- 21 intent. However, the value of the gift of partaking in a single hosted
- 22 reception shall be determined by dividing the total amount of the cost
- 23 of conducting the reception by the total number of persons partaking in
- 24 the reception. "Gift" for the purposes of RCW 42.17.170 and 42.17.2415
- 25 does not include:
- 26 (a) A gift, other than a gift of partaking in a hosted reception,
- 27 with a value of fifty dollars or less;
- 28 (b) The gift of partaking in a hosted reception if the value of the
- 29 gift is one hundred dollars or less;
- 30 (c) A contribution that is required to be reported under RCW
- 31 42.17.090 ((or 42.17.243));
- 32 (d) Informational material that is transferred for the purpose of
- 33 informing the recipient about matters pertaining to official business
- 34 of the governmental entity of which the recipient is an official or
- 35 officer, and that is not intended to confer on that recipient any
- 36 commercial, proprietary, financial, economic, or monetary advantage, or
- 37 the avoidance of any commercial, proprietary, financial, economic, or
- 38 monetary disadvantage;

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- (e) A gift that is not used and that, within thirty days after receipt, is returned to the donor or delivered to a charitable However, this exclusion from the definition does not organization. 4 apply if the recipient of the gift delivers the gift to a charitable organization and claims the delivery as a charitable contribution for tax purposes;
 - (f) A gift given under circumstances where it is clear beyond any doubt that the gift was not made as part of any design to gain or maintain influence in the governmental entity of which the recipient is an officer or official or with respect to any legislative matter or matters of that governmental entity, such as intrafamily gifts or gifts received in the normal course of private business or social interaction that are not related to public policy decisions or agency actions;
- 14 (q) A symbolic presentation that is not intended to financially 15 benefit the recipient;
- 16 (h) An honorarium that is required to be reported under this 17 chapter; or
- $((\frac{g}{g}))$ (i) A gift given prior to September 29, 1991. 18

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- 19 $((\frac{17}{17}))$ (23) "Immediate family" includes the spouse, dependent 20 children, and other dependent relatives, if living in the household. For the purposes of RCW 42.17.640 through 42.17.790, "immediate family" 21 means an individual's spouse, and child, stepchild, grandchild, parent, 22 stepparent, grandparent, brother, half brother, sister, or half sister 23 24 of the individual and the spouse of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half 25 26 brother, sister, or half sister of the individual's spouse and the spouse of any such person. 27
- (24) "Independent expenditure" means an expenditure that has each 28 of the following elements: 29
 - (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

- 1 advertising supporting that candidate or promoting the defeat of any
 2 other candidate or candidates for that office;
- (b) The expenditure pays in whole or in part for political advertising that either specifically names the candidate supported or opposed, or clearly and beyond any doubt identifies the candidate without using the candidate's name; and
- 7 (c) The expenditure, alone or in conjunction with another 8 expenditure or other expenditures of the same person in support of or 9 opposition to that candidate, has a value of five hundred dollars or 10 more. A series of expenditures, each of which is under five hundred 11 dollars, constitutes one independent expenditure if their cumulative 12 value is five hundred dollars or more.
- 13 (25)(a) "Intermediary" means an individual who transmits a 14 contribution to a candidate or committee from another person unless the 15 contribution is from the individual's employer, immediate family as 16 defined for purposes of RCW 42.17.640 through 42.17.790, or an 17 association to which the individual belongs.
- 18 <u>(b) A treasurer or a candidate is not an intermediary for purposes</u>
 19 of the committee that the treasurer or candidate serves.
- (c) A professional fund-raiser is not an intermediary if the fundraiser is compensated for fund-raising services at the usual and customary rate.
- 23 <u>(d) A volunteer hosting a fund-raising event at the individual's</u> 24 home is not an intermediary for purposes of that event.
- (((18))) (<u>26)</u> "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.
- (((19))) (<u>27)</u> "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

38 association or organization.

- 1 $((\frac{20}{1}))$ (28) "Lobbyist" includes any person who lobbies either in 2 his or her own or another's behalf.
- $((\frac{21}{21}))$ (29) "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom he <u>or she</u> is compensated for acting as a lobbyist.
- 6 ((\(\frac{(22)}{22}\))) (30) "Person" includes an individual, partnership, joint
 7 venture, public or private corporation, association, federal, state, or
 8 local governmental entity or agency however constituted, candidate,
 9 committee, political committee, political party, executive committee
 10 thereof, or any other organization or group of persons, however
 11 organized.
- (((23))) (31) "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.
- (((24))) (<u>32)</u> "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 in any election campaign.

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- $((\frac{(25)}{)})$ (33) "Political committee" means any person (except a candidate or an individual dealing with his <u>or her</u> 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.
- (((26))) (34) "Primary" means the procedure for nominating a candidate to state office under chapter 29.18 or 29.21 RCW or any other primary for an election that uses, in large measure, the procedures established in chapter 29.18 or 29.21 RCW.
- 32 <u>(35)</u> "Public office" means any federal, state, county, city, town, 33 school district, port district, special district, or other state 34 political subdivision elective office.
- (((27))) (36) "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.

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- 1 ((28))) (37) "Recall campaign" means the period of time beginning 2 on the date of the filing of recall charges under RCW 29.82.015 and 3 ending thirty days after the recall election.
- 4 (38) "State legislative office" means the office of a member of the 5 state house of representatives or the office of a member of the state 6 senate.
- 7 (39) "State office" means state legislative office or the office of 8 governor, lieutenant governor, secretary of state, attorney general, 9 commissioner of public lands, insurance commissioner, superintendent of 10 public instruction, state auditor, or state treasurer.
- 11 (40) "State official" means a person who holds a state office.
- (41)(a) "Surplus funds" mean, in the case of a political committee 12 or candidate, the balance of contributions that remain in the 13 possession or control of that committee or candidate subsequent to the 14 15 election for which the contributions were received, and that are in 16 excess of the amount necessary to pay remaining debts incurred by the 17 committee or candidate prior to that election. In the case of a continuing political committee, "surplus funds" mean 18 19 contributions remaining in the possession or control of the committee 20 that are in excess of the amount necessary to pay all remaining debts when it makes its final report under RCW 42.17.065. 21
 - (((29))) (b) Notwithstanding (a) of this subsection, "surplus funds" does not mean the balance of contributions that remain in the possession or control of a candidate's authorized committee after the primary election but before the general election if the candidate is a candidate in the general election.
- 27 (42)"Writing" handwriting, typewriting, means printing, photostating, photographing, and every other means of recording any 28 form of communication or representation, including, but not limited to, 29 30 letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and 31 32 prints, motion picture, film and video recordings, magnetic or punched 33 cards, discs, drums, diskettes, sound recordings, and other documents 34 including existing data compilations from which information may be 35 obtained or translated.
- As used in this chapter, the singular shall take the plural and any gender, the other, as the context requires.

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- 1 **Sec. 2.** RCW 42.17.080 and 1989 c 280 s 8 are each amended to read 2 as follows:
- 3 (1) On the day the treasurer is designated, each candidate or 4 political committee shall file with the commission and the county 5 auditor or elections officer of the county in which the candidate 6 resides, or in the case of a political committee, the county in which 7 the treasurer resides, in addition to any statement of organization 8 required under RCW 42.17.040 or 42.17.050, a report of all 9 contributions received and expenditures made prior to that date, if any.
- (2) At the following intervals each treasurer shall file with the commission and the county auditor or elections officer of the county in which the candidate resides, or in the case of a political committee, the county in which the committee maintains its office or headquarters, and if there is no office or headquarters then in the county in which the treasurer resides, a report containing the information required by RCW 42.17.090:
- 18 (a) On the twenty-first day and the seventh day immediately 19 preceding the date on which the election is held; and
- (b) On the tenth day of the first month after the election: 21 PROVIDED, That this report shall not be required following a primary 22 election from:
- 23 (i) A candidate whose name will appear on the subsequent general 24 election ballot; or
 - (ii) Any continuing political committee; and

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- (c) On the tenth day of each month in which no other reports are required to be filed under this section: PROVIDED, That such report shall only be filed if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.
- When there is no outstanding debt or obligation, and the campaign fund is closed, and the campaign is concluded in all respects, and in the case of a political committee, the committee has ceased to function and has dissolved, the treasurer shall file a final report. Upon submitting a final report, the duties of the treasurer shall cease and there shall be no obligation to make any further reports.
- The report filed twenty-one days before the election shall report all contributions received and expenditures made as of the end of the

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fifth business day before the date of the report. The report filed seven days before the election shall report all contributions received and expenditures made as of the end of the one business day before the date of the report. Reports filed on the tenth day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.

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- (3) For the period beginning the first day of the fourth month preceding the date on which the special or general election is held and ending on the date of that election, each Friday the treasurer shall file with the commission and the appropriate county elections officer a report of each ((contribution received)) bank deposit made during ((that period at the time that contribution is deposited pursuant to RCW 42.17.060(1))) the previous seven calendar days. The report shall contain the name of each person contributing the funds so deposited and the amount contributed by each person. However, contributions of no more than twenty-five dollars in the aggregate from any one person may be deposited without identifying the contributor. A copy of the report shall be retained by the treasurer for his or her records. event of deposits made by a deputy treasurer, the copy shall be forwarded to the treasurer ((to be retained by him)) for his or her records. Each report shall be certified as correct by the treasurer or deputy treasurer making the deposit.
- 24 (4) The treasurer or candidate shall maintain books of account 25 accurately reflecting all contributions and expenditures on a current 26 basis within five business days of receipt or expenditure. During the 27 eight days immediately preceding the date of the election the books of account shall be kept current within one business day and shall be open 28 for public inspection for at least two consecutive hours Monday through 29 30 Friday, excluding legal holidays, between 8:00 a.m. and 8:00 p.m., as specified in the committee's statement of organization filed pursuant 31 to RCW 42.17.040, at the principal headquarters or, if there is no 32 33 headquarters, at the address of the treasurer or such other place as 34 may be authorized by the commission. The treasurer or candidate shall 35 preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five 36 37 calendar years following the year during which the transaction 38 occurred.

- 1 (5) All reports filed pursuant to subsections (1) or (2) of this 2 section shall be certified as correct by the candidate and the 3 treasurer.
- 4 (6) Copies of all reports filed pursuant to this section shall be readily available for public inspection for at least two consecutive 6 hours Monday through Friday, excluding legal holidays, between 8:00 a.m. and 8:00 p.m., as specified in the committee's statement of 8 organization filed pursuant to RCW 42.17.040, at the principal 9 headquarters or, if there is no headquarters, at the address of the 10 treasurer or such other place as may be authorized by the commission.
- 11 (7) The commission shall adopt administrative rules establishing 12 requirements for filer participation in any system designed and 13 implemented by the commission for the electronic filing of reports.
- 14 **Sec. 3.** RCW 42.17.090 and 1993 c 256 s 6 are each amended to read 15 as follows:
- 16 (1) Each report required under RCW 42.17.080 (1) and (2) shall 17 disclose the following:
- 18 (a) The funds on hand at the beginning of the period;
- 19 (b) The name and address of each person who has made one or more contributions during the period, together with the money value and date 20 of such contributions and the aggregate value of all contributions 21 22 received from each such person during the campaign or in the case of a 23 continuing political committee, the current calendar year: PROVIDED, 24 That pledges in the aggregate of less than one hundred dollars from any one person need not be reported: PROVIDED FURTHER, That the income 25 which results from a fund-raising activity conducted in accordance with 26 RCW 42.17.067 may be reported as one lump sum, with the exception of 27 that portion of such income which was received from persons whose names 28 29 and addresses are required to be included in the report required by RCW 30 42.17.067: PROVIDED FURTHER, That contributions of no more than twenty-five dollars in the aggregate from any one person during the 31 32 election campaign may be reported as one lump sum so long as the 33 campaign treasurer maintains a separate and private list of the name, address, and amount of each such contributor: PROVIDED FURTHER, That 34 the money value of contributions of postage shall be the face value of 35 36 such postage;
- 37 (c) Each loan, promissory note, or security instrument to be used 38 by or for the benefit of the candidate or political committee made by

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any person, together with the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;

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- (d) All other contributions not otherwise listed or exempted;
- (e) ((The name and address of each candidate or political committee to which any transfer of funds was made, together with the amounts and dates of such transfers;

(f))) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, and the amount, date, and purpose of each such expenditure. ((A candidate for state executive or state legislative office or the political committee of such a candidate shall report this information for an expenditure under one of the following categories, whichever is appropriate: (i) Expenditures for the election of the candidate; (ii) expenditures for nonreimbursed public office-related expenses; (iii) expenditures required to be reported under (e) of this subsection; or (iv) expenditures of surplus funds and other expenditures. The report of such a candidate or committee shall contain a separate total of expenditures for each category and a total sum of all expenditures. Other candidates and political committees need not report information regarding expenditures under the categories listed in (i) through (iv) of this subsection or under similar such categories unless required to do so by the commission by rule.)) report ((of such an other candidate or committee shall)) <u>must</u> also contain the total sum of all expenditures;

 $((\frac{g}))$ (f) The name and address of each person to whom any expenditure was made directly or indirectly to compensate the person for soliciting or procuring signatures on an initiative or referendum petition, the amount of such compensation to each such person, and the total of the expenditures made for this purpose. Such expenditures shall be reported under this subsection $(1)((\frac{g}))$ (f) whether the expenditures are or are not also required to be reported under $((\frac{f}))$ (e) of this subsection;

 $((\frac{h}{h}))$ (g) The name and address of any person and the amount owed for any debt, obligation, note, unpaid loan, or other liability in the amount of more than two hundred fifty dollars or in the amount of more than fifty dollars that has been outstanding for over thirty days;

38 $((\frac{(i)}{(i)}))$ (h) The surplus or deficit of contributions over 39 expenditures;

1 $((\frac{j}{j}))$ (i) The disposition made in accordance with RCW 42.17.095 2 of any surplus funds;

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 $((\frac{k}{k}))$ (j) Such other information as shall be required by the commission by rule in conformance with the policies and purposes of this chapter; and

5 6 (((1))) (k) Funds received from a political committee not otherwise 7 required to report under this chapter (a "nonreporting committee"). 8 Such funds shall be forfeited to the state of Washington unless the 9 nonreporting committee has filed or within ten days following such 10 receipt files with the commission a statement disclosing: (i) Its name and address; (ii) the purposes of the nonreporting committee; (iii) the 11 names, addresses, and titles of its officers or if it has no officers, 12 13 the names, addresses, and titles of its responsible leaders; (iv) the name, office sought, and party affiliation of each candidate in the 14 15 state of Washington whom the nonreporting committee is supporting, and, 16 if such committee is supporting the entire ticket of any party, the 17 name of the party; (v) the ballot proposition supported or opposed in the state of Washington, if any, and whether such committee is in favor 18 19 of or opposed to such proposition; (vi) the name and address of each 20 person residing in the state of Washington or corporation which has a place of business in the state of Washington who has made one or more 21 22 contributions in the aggregate of more than twenty-five dollars to the 23 nonreporting committee during the current calendar year, together with 24 the money value and date of such contributions; (vii) the name and 25 address of each person in the state of Washington to whom an expenditure was made by the nonreporting committee on behalf of a 26 27 candidate or political committee in the aggregate amount of more than fifty dollars, the amount, date, and purpose of such expenditure, and 28 the total sum of such expenditures; (viii) such other information as 29 30 the commission may prescribe by rule, in keeping with the policies and purposes of this chapter. A nonreporting committee incurring an 31 obligation to file additional reports in a calendar year may satisfy 32 33 the obligation by filing with the commission a letter providing updating or amending information. 34

35 (2) The treasurer and the candidate shall certify the correctness 36 of each report.

37 **Sec. 4.** RCW 42.17.105 and 1991 c 157 s 1 are each amended to read 38 as follows:

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(1) Campaign treasurers shall prepare and deliver to the commission a special report regarding any contribution or aggregate of contributions which: Exceeds five hundred dollars; 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 exceeds five hundred dollars 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.
- (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 exceeding five hundred dollars is received by the candidate or treasurer; the aggregate received by the candidate or treasurer first exceeds five hundred

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- dollars; or the subsequent contribution that must be reported under 1 subsection (2) of this section is received by the candidate or 2 treasurer. The special report required of a contributor by subsection 3 4 (1) of this section or RCW 42.17.175 shall be delivered to the commission, and the candidate or political committee to whom the 5 contribution or contributions are made, within twenty-four hours of the 6 7 time, or on the first working day after: The contribution is made; the 8 aggregate of contributions made first exceeds five hundred dollars; or 9 the subsequent contribution that must be reported under subsection (2) 10 of this section is made.
- 11 (4) The special report may be transmitted orally by telephone to
 12 the commission to satisfy the delivery period required by subsection
 13 (3) of this section if the written form of the report is also mailed to
 14 the commission and postmarked within the delivery period established in
 15 subsection (3) of this section or the file transfer date of the
 16 electronic filing is within the delivery period established in
 17 subsection (3) of this section.
- 18 (5) The special report shall include at least:
 - (a) The amount of the contribution or contributions;
- 20 (b) The date or dates of receipt;

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- 21 (c) The name and address of the donor;
 - (d) The name and address of the recipient; and
- (e) Any other information the commission may by rule require.
- 24 (6) Contributions reported under this section shall also be 25 reported as required by other provisions of this chapter.
- (7) The commission shall ((publish)) prepare daily a summary of the special reports made under this section and RCW 42.17.175.
- (8) It is a violation of this chapter for any person to make, or 28 29 for any candidate or political committee to accept from any one person, 30 contributions reportable under RCW 42.17.090 in the aggregate exceeding 31 fifty thousand dollars for any campaign for state-wide office or exceeding five thousand dollars for any other campaign subject to the 32 33 provisions of this chapter within twenty-one days of a general 34 election. This subsection does not apply to contributions made by, or 35 accepted from, a major Washington state political party as defined in RCW 29.01.090. 36
- 37 (9) Contributions governed by this section include, but are not 38 limited to, contributions made or received indirectly through a third

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- 1 party or entity whether the contributions are or are not reported to
- 2 the commission as earmarked contributions under RCW 42.17.135.
- 3 **Sec. 5.** RCW 42.17.155 and 1985 c 367 s 8 are each amended to read 4 as follows:
- Each lobbyist shall at the time he or she registers submit to the 5 commission a recent photograph of himself or herself of a size and 6 7 format as determined by rule of the commission, together with the name of the lobbyist's employer, the length of his or her employment as a 8 9 lobbyist before the legislature, a brief biographical description, and 10 any other information he or she may wish to submit not to exceed fifty words in length. Such photograph and information shall be published at 11 12 least ((annually)) biennially in a booklet form by the commission for
- 14 **Sec. 6.** RCW 42.17.240 and 1993 c 2 s 31 are each amended to read 15 as follows:

distribution to legislators and the public.

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- (1) Every elected official and every executive state officer shall 16 17 after January 1st and before April 15th of each year file with the 18 commission a statement of financial affairs for the preceding calendar year. However, any local elected official whose term of office expires 19 immediately after December 31st shall file the statement required to be 20 21 filed by this section for the year that ended on that December 31st. 22 ((In addition to and in conjunction with the statement of financial 23 affairs, every official and officer shall file a statement describing 24 any gifts received during the preceding calendar year.))
- (2) Every candidate shall within two weeks of becoming a candidate file with the commission a statement of financial affairs for the preceding twelve months.
 - (3) Every person appointed to a vacancy in an elective office or executive state officer position shall within two weeks of being so appointed file with the commission a statement of financial affairs for the preceding twelve months.
- 32 (4) A statement of a candidate or appointee filed during the period 33 from January 1st to April 15th shall cover the period from January 1st 34 of the preceding calendar year to the time of candidacy or appointment 35 if the filing of the statement would relieve the individual of a prior 36 obligation to file a statement covering the entire preceding calendar 37 year.

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- 1 (5) No individual may be required to file more than once in any 2 calendar year.
- 3 (6) Each statement of financial affairs filed under this section 4 shall be sworn as to its truth and accuracy.
- 5 (7) For the purposes of this section, the term "executive state 6 officer" includes those listed in RCW 42.17.2401.
- 7 (8) This section does not apply to incumbents or candidates for a 8 federal office or the office of precinct committee officer.
- 9 Sec. 7. RCW 42.17.2401 and 1993 sp.s. c 2 s 18, 1993 c 492 s 488, 10 and 1993 c 281 s 43 are each reenacted and amended to read as follows:

 11 For the purposes of RCW 42.17.240, the term "executive state officer" includes:
- chief administrative law judge, 13 (1)The the director of 14 agriculture, the administrator of the office of marine safety, the 15 administrator of the Washington basic health plan, the director of the department of services for the blind, the director of the state system 16 of community and technical colleges, the director of community, trade, 17 18 and economic development, the secretary of corrections, the director of 19 ecology, the commissioner of employment security, the chairman of the energy facility site evaluation council, the director of the energy 20 21 office, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the executive 22 23 secretary of the forest practices appeals board, the director of the 24 gambling commission, the director of general administration, the 25 secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities 26 authority, the executive secretary of the higher education facilities 27 authority, the executive secretary of the horse racing commission, the 28 29 executive secretary of the human rights commission, the executive 30 secretary of the indeterminate sentence review board, the director of the department of information services, the director of the interagency 31 committee for outdoor recreation, the executive director of the state 32 33 investment board, the director of labor and industries, the director of 34 licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of 35 36 parks and recreation, the director of personnel, the executive director 37 of the public disclosure commission, the director of retirement 38 systems, the director of revenue, the secretary of social and health

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services, the chief of the Washington state patrol, the executive secretary of the board of tax appeals, ((the director of trade and economic development,)) the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, each district and each campus president of each state community college;

- (2) Each professional staff member of the office of the governor;
- (3) Each professional staff member of the legislature; and

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- 10 (4) Central Washington University board of trustees, board of trustees of each community college, each member of the state board for 11 community and technical colleges, state convention and trade center 12 13 board of directors, committee for deferred compensation, Eastern University board of trustees, Washington economic 14 Washington 15 development finance authority, The Evergreen State College board of trustees, executive ethics board, forest practices appeals board, 16 forest practices board, gambling commission, Washington health care 17 facilities authority, each member of the Washington health services 18 19 commission, higher education coordinating board, higher education 20 facilities authority, horse racing commission, state housing finance commission, human rights commission, indeterminate sentence review 21 board, board of industrial insurance appeals, information services 22 23 board, interagency committee for outdoor recreation, state investment 24 board, commission on judicial conduct, legislative ethics board, liquor 25 control board, lottery commission, marine oversight board, ((oil and 26 gas conservation committee,)) Pacific Northwest electric power and conservation planning council, parks and recreation commission, 27 personnel appeals board, board of pilotage commissioners, pollution 28 29 control hearings board, public disclosure commission, public pension 30 commission, shorelines hearing board, public employees' benefits board, 31 board of tax appeals, transportation commission, University of Washington board of regents, utilities and transportation commission, 32 33 Washington state maritime commission, Washington personnel resources 34 board, Washington public power supply system executive board, 35 Washington State University board of regents, Western Washington University board of trustees, and fish and wildlife commission. 36
- 37 **Sec. 8.** RCW 42.17.370 and 1994 c 40 s 3 are each amended to read 38 as follows:

The commission is empowered to:

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- 2 (1) Adopt, promulgate, amend, and rescind suitable administrative 3 rules to carry out the policies and purposes of this chapter, which 4 rules shall be adopted under chapter 34.05 RCW;
- 5 (2) Appoint and set, within the limits established by the committee on agency officials' salaries under RCW 43.03.028, the compensation of 6 7 an executive director who shall perform such duties and have such 8 powers as the commission may prescribe and delegate to implement and 9 enforce this chapter efficiently and effectively. The commission shall 10 not delegate its authority to adopt, amend, or rescind rules nor shall it delegate authority to determine whether an actual violation of this 11 12 chapter has occurred or to assess penalties for such violations;
- 13 (3) Prepare and publish such reports and technical studies as in 14 its judgment will tend to promote the purposes of this chapter, 15 including reports and statistics concerning campaign financing, 16 lobbying, financial interests of elected officials, and enforcement of 17 this chapter;
- 18 (4) Make from time to time, on its own motion, audits and field 19 investigations;
- (5) Make public the time and date of any formal hearing set to determine whether a violation has occurred, the question or questions to be considered, and the results thereof;
 - (6) Administer oaths and affirmations, issue subpoenas, and compel attendance, take evidence and require the production of any books, papers, correspondence, memorandums, or other records relevant or material for the purpose of any investigation authorized under this chapter, or any other proceeding under this chapter;
 - (7) Adopt and promulgate a code of fair campaign practices;
- 29 (8) Relieve, by rule, candidates or political committees of 30 obligations to comply with the provisions of this chapter relating to 31 election campaigns, if they have not received contributions nor made 32 expenditures in connection with any election campaign of more than one 33 thousand dollars;
 - (9) Adopt rules prescribing reasonable requirements for keeping accounts of and reporting on a quarterly basis costs incurred by state agencies, counties, cities, and other municipalities and political subdivisions in preparing, publishing, and distributing legislative information. The term "legislative information," for the purposes of this subsection, means books, pamphlets, reports, and other materials

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prepared, published, or distributed at substantial cost, a substantial 2 purpose of which is to influence the passage or defeat of any legislation. The state auditor in his or her regular examination of 3 4 each agency under chapter 43.09 RCW shall review the rules, accounts, 5 and reports and make appropriate findings, comments, recommendations in his or her examination reports concerning those 6 7 agencies;

8 (10) After hearing, by order approved and ratified by a majority of 9 the membership of the commission, suspend or modify any of the 10 reporting requirements of this chapter in a particular case if it finds literal application of this chapter works a manifestly 11 unreasonable hardship and if it also finds that the suspension or 12 modification will not frustrate the purposes of the chapter. 13 The 14 commission shall find that a manifestly unreasonable hardship exists if 15 reporting the name of an entity required to be reported under RCW 16 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive 17 position of any entity in which the person filing the report or any member of his or her immediate family holds any office, directorship, 18 19 general partnership interest, or an ownership interest of ten percent 20 or more. Any suspension or modification shall be only to the extent necessary to substantially relieve the hardship. The commission shall 21 22 act to suspend or modify any reporting requirements only if it 23 determines that facts exist that are clear and convincing proof of the 24 findings required under this section. Requests for renewals of 25 reporting modifications may be heard in a brief adjudicative proceeding 26 as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. No initial request may be 27 heard in a brief adjudicative proceeding and no request for renewal may 28 29 be heard in a brief adjudicative proceeding if the initial request was 30 granted more than three years previously or if the applicant is holding an office or position of employment different from the office or 31 position held when the initial request was granted. The commission 32 shall adopt administrative rules governing the proceedings. 33 34 citizen has standing to bring an action in Thurston county superior 35 court to contest the propriety of any order entered under this section within one year from the date of the entry of the order; and 36

(11) Revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The revisions shall be only for the purpose of

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- recognizing economic changes as reflected by an inflationary index 1 2 recommended by the office of financial management. The revisions shall be guided by the change in the index for the period commencing with the 3 4 month of December preceding the last revision and concluding with the 5 month of December preceding the month the revision is adopted. As to each of the three general categories of this chapter (reports of 6 7 campaign finance, reports of lobbyist activity, and reports of the 8 financial affairs of elected and appointed officials), the revisions 9 shall equally affect all thresholds within each category. Revisions 10 shall be adopted as rules under chapter 34.05 RCW. The first revision authorized by this subsection shall reflect economic changes from the 11 12 time of the last legislative enactment affecting the respective code or 13 threshold through December 1985;
- 14 (12) Develop and provide to filers a system for certification of 15 reports required under this chapter which are transmitted by facsimile 16 or electronically to the commission. Implementation of the program is 17 contingent on the availability of funds.
- 18 **Sec. 9.** RCW 42.17.420 and 1983 c 176 s 2 are each amended to read 19 as follows:
- (1) Except as provided in subsection (2) of this section, when any 20 application, report, statement, notice, or payment required to be made 21 22 under the provisions of this chapter has been deposited postpaid in the 23 United States mail properly addressed, it shall be deemed to have been 24 received on the date of mailing. It shall be presumed that the date 25 shown by the post office cancellation mark on the envelope is the date 26 The provisions of this section do not apply to reports of mailing. required to be delivered under RCW 42.17.105 and 42.17.175. 27
- 28 (2) When a report is filed electronically with the commission, it 29 is deemed to have been received on the file transfer date. Electronic 30 filing may be used for purposes of filing the special reports required 31 to be delivered under RCW 42.17.105 and 42.17.175.
- 32 **Sec. 10.** RCW 42.17.510 and 1993 c 2 s 22 are each amended to read 33 as follows:
- 34 (1) All written political advertising, whether relating to 35 candidates or ballot propositions, shall include the sponsor's name and 36 address. All radio and television political advertising, whether 37 relating to candidates or ballot propositions, shall include the

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- sponsor's name. The use of an assumed name shall be unlawful. The party with which a candidate files shall be clearly identified in political advertising for partisan office.
- 4 (2) In addition to the materials required by subsection (1) of this section, all political advertising undertaken as an independent 5 expenditure by a person or entity other than a party organization must 6 7 include the following statement on the communication "NOTICE TO VOTERS 8 (Required by law): This advertisement is not authorized or approved by 9 any candidate. It is paid for by (name, address, city, state)." If 10 the advertisement is undertaken by a nonindividual, then the following notation must also be included: "Top Five Contributors," followed by 11 a listing of the names of the five persons or entities making the 12 13 largest contributions reportable under this chapter during the twelvemonth period before the date of the advertisement. 14
- 15 (3) The statements and listings of contributors required by 16 subsections (1) and (2) of this section shall:
- (a) Appear on ((each)) the first page or fold of the written communication in at least ten-point type, or in type at least ten percent of the largest size type used in a written 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;
- (c) Be in a printed or drawn box set apart from any other printed matter; and
 - (d) Be clearly spoken on any broadcast advertisement.
- 26 (4) Political yard signs are exempt from the requirement of subsections (1) and (2) of this section that the name and address of 27 the sponsor of political advertising be listed on the advertising. In 28 29 addition, the public disclosure commission shall, by rule, exempt from 30 the identification requirements of subsections (1) and (2) of this 31 section forms of political advertising such as campaign buttons, balloons, pens, pencils, sky-writing, inscriptions, and other forms of 32 33 advertising where identification is impractical.
- 34 (5) For the purposes of this section, "yard sign" means any outdoor 35 sign with dimensions no greater than eight feet by four feet.
- 36 **Sec. 11.** RCW 42.17.640 and 1993 c 2 s 4 are each amended to read 37 as follows:

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(1) No person, other than a bona fide political party or a caucus of the state legislature, may make contributions to a candidate for a state legislative office that in the aggregate exceed five hundred dollars or to a candidate for a state office other than a state legislative office that in the aggregate exceed one thousand dollars for each election in which the candidate is on the ballot or appears as a write-in candidate. Contributions made with respect to a primary may not be made after the date of the primary. Contributions made with respect to a general election may not be made after the final day of the applicable election cycle.

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- (2) No person, other than a bona fide political party or a caucus of the state legislature, may make contributions to a state official 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, during a recall campaign that in the aggregate exceed five hundred dollars if for a state legislative office or one thousand dollars if for a state office other than a state legislative office.
- (3)(a) Notwithstanding subsection (1) of this section, no bona fide political party or caucus of the state legislature may make contributions to a candidate during an election cycle that in the aggregate exceed (i) fifty cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is elected if the contributor is a caucus of the state legislature or the governing body of a state organization, or (ii) twenty-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 twenty-five cents times the number of registered voters in the jurisdiction from which the candidate is elected.
- (4)(a) Notwithstanding subsection (2) of this section, no bona fide political party or caucus of the state legislature may make contributions to a state official against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the state official, during a recall campaign

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that in the aggregate exceed (i) fifty cents multiplied by the number of eligible registered voters in the jurisdiction entitled to recall the state official if the contributor is a caucus of the state legislature of [or] the governing body of a state organization, or (ii) twenty-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 state official 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 a state 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 twenty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected.
- (5) For purposes of determining contribution limits under subsections (3) and (4) 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.
- (6) Notwithstanding subsections (1) through (4) of this section, no person other than an individual, bona fide political party, or caucus of the state legislature may make contributions reportable under this chapter to a caucus of the state legislature that in the aggregate exceed five hundred dollars in a calendar year or to a bona fide political party that in the aggregate exceed two thousand five hundred dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business.
- ((+6+)) (7) For the purposes of RCW 42.17.640 through 42.17.790, a contribution to the authorized political committee of a candidate, or of a state official against whom recall charges have been filed, is considered to be a contribution to the candidate or state official.
- ((+7))) (8) A contribution received within the twelve-month period after a recall election concerning a state office 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.
- (((8))) (9) The contributions allowed by subsection (2) of this section are in addition to those allowed by subsection (1) of this

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

 $((\frac{(9)}{)})$ (10) RCW 42.17.640 through 42.17.790 apply to a special election conducted to fill a vacancy in a state office. 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.

((+10+)) (11) Notwithstanding the other subsections of this section, no corporation or business entity not doing business in Washington state, no labor union with fewer than ten members who reside in Washington state, and no political committee that has not received contributions of ten dollars or more from at least ten persons registered to vote in Washington state during the preceding one hundred eighty days may make contributions reportable under this chapter to a candidate, to a state official 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 official. This subsection does not apply to loans made in the ordinary course of business.

 $((\frac{11}{11}))$ (12) 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, state official against whom recall charges have been filed, or political committee having the expectation of making expenditures in support of the recall of a state official if the county central committee or legislative district committee is outside of the jurisdiction entitled to elect the candidate or recall the state official.

(((12))) (13) No person may accept contributions that exceed the contribution limitations provided in this section.

33 (14) The following contributions are exempt from the contribution 34 limits of this section:

(a) An expenditure or contribution earmarked for voter registration, absentee ballot information, precinct caucuses, get-out-the-vote campaigns, precinct judges or inspectors, sample ballots, or ballot counting, all without promotion of or political advertising for

39 <u>individual candidates;</u>

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- (b) An expenditure by a political committee for its own internal organization or fund raising without direct association with individual candidates;
 - (c) Legal or accounting services rendered to or on behalf of:
- 5 <u>(i) A political party or caucus of the state legislature if the</u> 6 <u>person paying for the services is the regular employer of the person</u> 7 <u>rendering the services; or</u>
- 8 (ii) A candidate or an authorized committee if the person paying
 9 for the services is the regular employer of the individual rendering
 10 the services and if the services are solely for the purpose of ensuring
 11 compliance with state election or public disclosure laws.
- 12 **Sec. 12.** RCW 42.17.750 and 1993 c 2 s 15 are each amended to read 13 as follows:
- (1) No state <u>or local</u> official <u>or employee</u> or ((state official's))
 agent <u>of a state or local official or employee</u> may knowingly solicit,
 directly or indirectly, a contribution from an employee in the
 ((state)) official's <u>or employee's</u> agency.
- (2) No state <u>or local</u> official or ((state)) employee may provide an advantage or disadvantage to an employee or applicant for employment in the classified civil service concerning the applicant's or employee's:
- 21 (a) Employment;

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- 22 (b) Conditions of employment; or
- 23 (c) Application for employment,
- 24 based on the employee's or applicant's contribution or promise to
- 25 contribute or failure to make a contribution or contribute to a
- 26 political party or committee.
- 27 **Sec. 13.** RCW 42.17.790 and 1993 c 2 s 19 are each amended to read 28 as follows:
- 29 (1) Except as provided in subsection (2) of this section, a candidate committee may not use or permit the use of contributions 30 31 solicited for or received by the candidate committee to further the 32 candidacy of the individual for an office other than the office designated on the statement of organization. A contribution solicited 33 for or received on behalf of the candidate is considered solicited or 34 35 received for the candidacy for which the individual is then a candidate if the contribution is solicited or received before the general 36 37 elections for which the candidate is a nominee or is unopposed.

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(2) With the written approval of the contributor, a candidate committee may use or permit the use of contributions solicited for or received by the candidate committee from that contributor to further the candidacy of the individual for an office other than the office designated on the statement of organization. If the contributor does not approve the use of his or her contribution to further the candidacy of the individual for an office other than the office designated on the statement of organization at the time of the contribution, the contribution must be considered surplus funds and disposed of in accordance with RCW 42.17.095.

- **Sec. 14.** RCW 42.52.180 and 1994 c 154 s 118 are each amended to 12 read as follows:
 - (1) No state officer or state employee may use or authorize the use of facilities of an agency, directly or indirectly, for the purpose of assisting a campaign for election of a person to an office or for the promotion of or opposition to a ballot proposition. Knowing acquiescence by a person with authority to direct, control, or influence the actions of the state officer or state employee using public resources in violation of this section constitutes a violation of this section. Facilities of an agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of state employees of the agency during working hours, vehicles, office space, publications of the agency, and clientele lists of persons served by the agency.
 - (2) This section shall not apply to the following activities:
- (a) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition as long as (i) required notice of the meeting includes the title and number of the ballot proposition, and (ii) members of the legislative body or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;
- 34 (b) A statement by an elected official in support of or in 35 opposition to any ballot proposition at an open press conference or in 36 response to a specific inquiry. For the purposes of this subsection, 37 it is not a violation of this section for an elected official to 38 respond to an inquiry regarding a ballot proposition, to make

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- 1 incidental remarks concerning a ballot proposition in an official
- 2 communication, or otherwise comment on a ballot proposition without an
- 3 actual, measurable expenditure of public funds. The ((public
- 4 disclosure commission shall, after consultation with the)) ethics
- 5 boards((τ)) shall adopt by rule a definition of measurable expenditure;
- 6 (c) Activities that are part of the normal and regular conduct of 7 the office or agency; and
- 8 (d) De minimis use of public facilities by state-wide elected
- 9 officials and legislators incidental to the preparation or delivery of
- 10 permissible communications, including written and verbal communications
- 11 initiated by them of their views on ballot propositions that
- 12 foreseeably may affect a matter that falls within their constitutional
- 13 or statutory responsibilities.
- 14 (3) As to state officers and employees, this section operates to
- 15 the exclusion of RCW 42.17.130.
- 16 <u>NEW SECTION.</u> **Sec. 15.** The following acts or parts of acts are
- 17 each repealed:
- 18 (1) RCW 42.17.021 and 1993 c 2 s 30; and
- 19 (2) RCW 42.17.630 and 1993 c 2 s 3.
- NEW SECTION. Sec. 16. This act takes effect January 1, 1996.

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