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**SUBSTITUTE SENATE BILL 6249**

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**State of Washington**

**54th Legislature**

**1996 Regular Session**

**By** Senate Committee on Law & Justice (originally sponsored by Senators Quigley, Smith and Goings)

Read first time 02/02/96.

1 AN ACT Relating to campaign finance reform; amending RCW 42.17.040,  
2 42.17.390, 42.17.395, 42.17.640, 42.17.510, 42.17.690, and 42.17.790;  
3 adding new sections to chapter 42.17 RCW; adding a new section to  
4 chapter 29.80 RCW; and prescribing penalties.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 42.17 RCW  
7 to read as follows:

8 (1) This section applies to contributions to a candidate, state  
9 official, or political committee who has failed to file a statement of  
10 acceptance of voluntary expenditure limits set forth in section 3 of  
11 this act.

12 (2) A candidate for a state office may not accept from any person  
13 contributions that in the aggregate exceed ten percent of the  
14 contribution limits as provided for in section 2 of this act.

15 (3) A state official against whom recall charges have been filed,  
16 and a political committee having the expectation of making expenditures  
17 in support of the recall of the state official, may not accept from any  
18 person contributions that in the aggregate exceed ten percent of the  
19 contribution limits otherwise provided for in this chapter.

1        NEW SECTION.    **Sec. 2.**    A new section is added to chapter 42.17 RCW  
2 to read as follows:

3        (1) This section applies to contributions to a candidate, state  
4 official, or political committee who has filed a statement of  
5 acceptance of voluntary expenditure limits set forth in section 3 of  
6 this act.

7        (2) A candidate for a state legislative office may not accept, from  
8 any person other than a bona fide political party or caucus political  
9 committee, contributions that in the aggregate exceed five hundred  
10 dollars, and a candidate for a state office other than a state  
11 legislative office may not accept, from any person other than a bona  
12 fide political party or caucus political committee, contributions that  
13 in the aggregate exceed one thousand dollars, for each election in  
14 which the candidate is on the ballot or appears as a write-in  
15 candidate. Contributions made with respect to a primary may not be  
16 accepted after the date of the primary. Contributions made with  
17 respect to a general election may not be accepted after the final day  
18 of the applicable election cycle.

19        (3) A state official against whom recall charges have been filed,  
20 and a political committee having the expectation of making expenditures  
21 in support of the recall of the state official, may not accept, from  
22 any person other than a bona fide political party or caucus political  
23 committee, contributions during a recall campaign that in the aggregate  
24 exceed five hundred dollars if the official is a state legislator or  
25 one thousand dollars if the official holds a state office other than  
26 state legislator.

27        (4)(a) Notwithstanding subsection (2) of this section, a candidate  
28 during an election cycle may not accept contributions from a bona fide  
29 political party that in the aggregate exceed: (i) Ten cents multiplied  
30 by the number of registered voters in the jurisdiction from which the  
31 candidate is seeking election if the contributor is the state governing  
32 body of a political party; or (ii) five cents multiplied by the number  
33 of registered voters in the jurisdiction from which the candidate is  
34 seeking election if the contributor is a county central committee or a  
35 legislative district committee.

36        (b) A candidate may not accept contributions from a county central  
37 committee or a legislative district committee during an election cycle  
38 that, when combined with contributions from other county central  
39 committees or legislative district committees, would in the aggregate

1 exceed five cents times the number of registered voters in the  
2 jurisdiction from which the candidate is elected.

3 (c) A candidate for a state legislative office may not accept from  
4 a caucus political committee, contributions that in the aggregate  
5 exceed one thousand dollars, and a candidate for a state office other  
6 than a state legislative office may not accept from a caucus political  
7 committee, contributions that in the aggregate exceed two thousand  
8 dollars, for each election in which the candidate is on the ballot or  
9 appears as a write-in candidate.

10 (5)(a) Notwithstanding subsection (3) of this section, a state  
11 official against whom recall charges have been filed, and a political  
12 committee having the expectation of making expenditures in support of  
13 the state official, may not accept contributions from a bona fide  
14 political party during a recall campaign that in the aggregate exceed:  
15 (i) Ten cents multiplied by the number of eligible registered voters in  
16 the jurisdiction entitled to recall the state official if the  
17 contributor is the state governing body of a political party; or (ii)  
18 five cents multiplied by the number of registered voters in the  
19 jurisdiction from which the candidate is seeking election if the  
20 contributor is a county central committee or a legislative district  
21 committee.

22 (b) A state official against whom recall charges have been filed,  
23 an authorized committee of the official, and a political committee  
24 having the expectation of making expenditures in support of the recall  
25 of a state official, may not accept contributions from a county central  
26 committee or a legislative district committee during an election cycle  
27 that when combined with contributions from other county central  
28 committees or legislative district committees would in the aggregate  
29 exceed five cents multiplied by the number of registered voters in the  
30 jurisdiction from which the candidate is elected.

31 (c) A state official against whom recall charges have been filed,  
32 an authorized committee of the official, and a political committee  
33 having the expectation of making expenditures in support of the recall  
34 of a state official, may not accept from a caucus political committee,  
35 contributions that in the aggregate exceed one thousand dollars if the  
36 official is a state legislator or two thousand dollars if the official  
37 holds a state office other than state legislator.

38 (6) The contributions allowed under subsection (3) of this section  
39 are in addition to those allowed under subsection (2) of this section.

1 The contributions allowed under subsection (5) of this section are in  
2 addition to those allowed under subsection (4) of this section.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 42.17 RCW  
4 to read as follows:

5 When a person becomes a candidate or files for state office, he or  
6 she shall sign and file with the commission a statement of acceptance  
7 or rejection of the voluntary expenditure limits in section 4 of this  
8 act. A state official whose recall is demanded or a political  
9 committee having the expectation of making expenditures in support of  
10 a recall shall sign and file with the commission a statement of  
11 acceptance or rejection of the voluntary expenditure limits in section  
12 4 of this act. The commission shall provide the form of the statement  
13 and agreement by rule. The commission shall index and make available  
14 for public inspection and copying a list of the statements of  
15 acceptance or rejection filed by candidates.

16 NEW SECTION. **Sec. 4.** A new section is added to chapter 42.17 RCW  
17 to read as follows:

18 (1) In accordance with RCW 42.17.690, the commission shall revise  
19 expenditure limits applicable in an election cycle for a candidate who  
20 files a statement of acceptance under section 3 of this act.

21 (2) The initial expenditure limits shall be as follows for the  
22 following offices and classes of offices:

23 (a) Governor: One million dollars;

24 (b) All other state executive offices: Two hundred fifty thousand  
25 dollars;

26 (c) State senator: Eighty thousand dollars; and

27 (d) State representative: Fifty thousand dollars.

28 NEW SECTION. **Sec. 5.** A new section is added to chapter 42.17 RCW  
29 to read as follows:

30 (1) It is a violation of this chapter for a person to make a  
31 contribution or expenditure in support of or opposition to a candidate  
32 other than one within the limits in this chapter or an independent  
33 expenditure as defined in RCW 42.17.630.

34 (2) If a candidate has agreed to expenditure limits under section  
35 3 of this act and: (a) Knowingly accepts a contribution in excess of  
36 the amounts allowed; or (b) has encouraged, approved, or collaborated

1 in the making of an unlawful expenditure by another in connection with  
2 his or her campaign, the expenditure limit must be reduced by the  
3 amount of the unlawful contribution or expenditure.

4 (3) Payments of candidate filing fees, fees or assessments relating  
5 to the primary or general election candidates' pamphlet, or costs  
6 incurred in the course of defending against a challenge of a person's  
7 eligibility to become a candidate or a motion for injunction under RCW  
8 42.17.390, do not constitute expenditures for the purpose of  
9 determining whether a candidate has exceeded an expenditure limit.

10 **Sec. 6.** RCW 42.17.040 and 1989 c 280 s 2 are each amended to read  
11 as follows:

12 (1) Every political committee, within two weeks after its  
13 organization or, within two weeks after the date when it first has the  
14 expectation of receiving contributions or making expenditures in any  
15 election campaign, whichever is earlier, shall file a statement of  
16 organization with the commission and with the county auditor or  
17 elections officer of the county in which the candidate resides, or in  
18 the case of any other political committee, the county in which the  
19 treasurer resides. A political committee organized within the last  
20 three weeks before an election and having the expectation of receiving  
21 contributions or making expenditures during and for that election  
22 campaign shall file a statement of organization within three business  
23 days after its organization or when it first has the expectation of  
24 receiving contributions or making expenditures in the election  
25 campaign.

26 (2) The statement of organization shall include but not be limited  
27 to:

28 (a) The name and address of the committee;

29 (b) The names and addresses of all related or affiliated committees  
30 or other persons, and the nature of the relationship or affiliation;

31 (c) The names, addresses, and titles of its officers; or if it has  
32 no officers, the names, addresses, and titles of its responsible  
33 leaders;

34 (d) The name and address of its treasurer and depository;

35 (e) A statement whether the committee is a continuing one;

36 (f) The name, office sought, and party affiliation of each  
37 candidate whom the committee is supporting or opposing, and, if the

1 committee is supporting the entire ticket of any party, the name of the  
2 party;

3 (g) The ballot proposition concerned, if any, and whether the  
4 committee is in favor of or opposed to such proposition;

5 (h) What distribution of surplus funds will be made, in accordance  
6 with RCW 42.17.095, in the event of dissolution;

7 (i) The street address of the place and the hours during which the  
8 committee will make available for public inspection its books of  
9 account and all reports filed in accordance with RCW 42.17.080; and

10 (j) Such other information as the commission may by regulation  
11 prescribe, in keeping with the policies and purposes of this chapter.

12 (3) A committee filing under this section that intends to support  
13 or oppose only one candidate or ballot measure, or to contribute to or  
14 expend fifty percent or more of its funds on behalf of, or in  
15 opposition to, one candidate or ballot measure, shall include the name  
16 of that candidate or ballot measure as part of the name of the  
17 committee. The commission shall promptly notify the named candidate of  
18 the group's organization and intent.

19 (4) Any material change in information previously submitted in a  
20 statement of organization shall be reported to the commission and to  
21 the appropriate county elections officer within the ten days following  
22 the change.

23 **Sec. 7.** RCW 42.17.390 and 1993 c 2 s 28 are each amended to read  
24 as follows:

25 One or more of the following civil remedies and sanctions may be  
26 imposed by court order in addition to any other remedies provided by  
27 law:

28 (1) ~~((If the court finds that the violation of any provision of~~  
29 ~~this chapter by any candidate or political committee probably affected~~  
30 ~~the outcome of any election, the result of said election may be held))~~  
31 The court or the legislature, as applicable, shall presume that a  
32 material and substantial violation of this chapter has affected the  
33 outcome of the election. Unless the presumption is defeated by clear,  
34 cogent, and convincing evidence, the court or the legislature, as  
35 applicable, shall declare the election void, and a special election  
36 must be held within sixty days of such finding. Any action to void an  
37 election shall be commenced within one year of the date of the election  
38 in question. It is intended that this remedy be imposed freely in all

1 appropriate cases to protect the right of the electorate to an informed  
2 and knowledgeable vote.

3 (2) If any lobbyist or sponsor of any grass roots lobbying campaign  
4 violates any of the provisions of this chapter, his registration may be  
5 revoked or suspended and he may be enjoined from receiving compensation  
6 or making expenditures for lobbying: PROVIDED, HOWEVER, That  
7 imposition of such sanction shall not excuse said lobbyist from filing  
8 statements and reports required by this chapter.

9 (3) Any person who violates any of the provisions of this chapter  
10 may be subject to a civil penalty of not more than ten thousand dollars  
11 for each such violation. However, a person or entity who violates  
12 (~~RCW 42.17.640~~) this chapter may be subject to a civil penalty of ten  
13 thousand dollars or three times the amount of the contribution  
14 illegally made or accepted, whichever is greater. The penalty may not  
15 be paid from campaign funds, and solicitations to political committees  
16 may not be made in connection with the penalty.

17 (4) Any person who fails to file a properly completed statement or  
18 report within the time required by this chapter may be subject to a  
19 civil penalty of ten dollars per day for each day each such delinquency  
20 continues.

21 (5) Any person who fails to report a contribution or expenditure  
22 may be subject to a civil penalty equivalent to the amount he failed to  
23 report.

24 (6) Any person who makes an independent expenditure that is  
25 unlawful because of the encouragement, approval, or collaboration of a  
26 candidate may be subject to a penalty of up to three times the amount  
27 of the unlawful independent expenditure.

28 (7) The court may enjoin any person to prevent the doing of any act  
29 herein prohibited, or to compel the performance of any act required  
30 herein.

31 **Sec. 8.** RCW 42.17.395 and 1989 c 175 s 91 are each amended to read  
32 as follows:

33 (1) The commission may (a) determine whether an actual violation of  
34 this chapter has occurred; and (b) issue and enforce an appropriate  
35 order following such determination.

36 (2) The commission, in cases where it chooses to determine whether  
37 an actual violation of this chapter has occurred, shall hold a hearing  
38 pursuant to the Administrative Procedure Act, chapter 34.05 RCW, to

1 make such determination. Any order that the commission issues under  
2 this section shall be pursuant to such hearing.

3 (3) In lieu of holding a hearing or issuing an order under this  
4 section, the commission may refer the matter to the attorney general or  
5 other enforcement agency as provided in RCW 42.17.360.

6 (4) The person against whom an order is directed under this section  
7 shall be designated as the respondent. The order may require the  
8 respondent to cease and desist from the activity that constitutes a  
9 violation and in addition, or alternatively, may impose one or more of  
10 the remedies provided in RCW 42.17.390(~~((1) (b), (c), (d), or (e))~~):  
11 PROVIDED, That no individual penalty assessed by the commission may  
12 exceed one thousand dollars, and in any case where multiple violations  
13 are involved in a single complaint or hearing, the maximum aggregate  
14 penalty may not exceed two thousand five hundred dollars.

15 (5) An order issued by the commission under this section shall be  
16 subject to judicial review under the Administrative Procedure Act,  
17 chapter 34.05 RCW. If the commission's order is not satisfied and no  
18 petition for review is filed within thirty days as provided in RCW  
19 34.05.542, the commission may petition a court of competent  
20 jurisdiction of any county in which a petition for review could be  
21 filed under that section, for an order of enforcement. Proceedings in  
22 connection with the commission's petition shall be in accordance with  
23 RCW 42.17.397.

24 **Sec. 9.** RCW 42.17.640 and 1995 c 397 s 20 are each amended to read  
25 as follows:

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

36 (2) ~~No person, other than a bona fide political party or a caucus  
37 political committee, may make contributions to a state official against  
38 whom recall charges have been filed, or to a political committee having~~



1 the expectation of making expenditures in support of the recall of the  
2 state official, during a recall campaign that in the aggregate exceed  
3 five hundred dollars if for a state legislative office or one thousand  
4 dollars if for a state office other than a state legislative office.

5 (3)(a) Notwithstanding subsection (1) of this section, no bona fide  
6 political party or caucus political committee may make contributions to  
7 a candidate during an election cycle that in the aggregate exceed (i)  
8 fifty cents multiplied by the number of eligible registered voters in  
9 the jurisdiction from which the candidate is elected if the contributor  
10 is a caucus political committee or the governing body of a state  
11 organization, or (ii) twenty five cents multiplied by the number of  
12 registered voters in the jurisdiction from which the candidate is  
13 elected if the contributor is a county central committee or a  
14 legislative district committee.

15 (b) No candidate may accept contributions from a county central  
16 committee or a legislative district committee during an election cycle  
17 that when combined with contributions from other county central  
18 committees or legislative district committees would in the aggregate  
19 exceed twenty five cents times the number of registered voters in the  
20 jurisdiction from which the candidate is elected.

21 (4)(a) Notwithstanding subsection (2) of this section, no bona fide  
22 political party or caucus political committee may make contributions to  
23 a state official against whom recall charges have been filed, or to a  
24 political committee having the expectation of making expenditures in  
25 support of the state official, during a recall campaign that in the  
26 aggregate exceed (i) fifty cents multiplied by the number of eligible  
27 registered voters in the jurisdiction entitled to recall the state  
28 official if the contributor is a caucus political committee or the  
29 governing body of a state organization, or (ii) twenty five cents  
30 multiplied by the number of registered voters in the jurisdiction from  
31 which the candidate is elected if the contributor is a county central  
32 committee or a legislative district committee.

33 (b) No state official against whom recall charges have been filed,  
34 no authorized committee of the official, and no political committee  
35 having the expectation of making expenditures in support of the recall  
36 of a state official may accept contributions from a county central  
37 committee or a legislative district committee during an election cycle  
38 that when combined with contributions from other county central  
39 committees or legislative district committees would in the aggregate

1 exceed twenty five cents multiplied by the number of registered voters  
2 in the jurisdiction from which the candidate is elected.

3 ~~(5) For purposes of determining contribution limits under~~  
4 ~~subsections (3) and (4) of this section, the number of eligible~~  
5 ~~registered voters in a jurisdiction is the number at the time of the~~  
6 ~~most recent general election in the jurisdiction.~~

7 ~~(6) Notwithstanding subsections (1) through (4) of this section, no~~  
8 ~~person other than an individual, bona fide political party, or))~~  
9 Notwithstanding sections 1 and 2 of this act, a caucus political  
10 committee may ((make)) not accept contributions reportable under this  
11 chapter ((to)) from any person other than a bona fide political party  
12 or a caucus political committee that in the aggregate exceed five  
13 hundred dollars in a calendar year ((or to)). A bona fide political  
14 party may not accept contributions reportable under this chapter from  
15 any person other than a bona fide political party or a caucus political  
16 committee that in the aggregate exceed two thousand five hundred  
17 dollars in a calendar year. This subsection does not apply to loans  
18 made in the ordinary course of business.

19 ~~((7)) (2) For the purposes of ((RCW 42.17.640 through 42.17.790))~~  
20 this chapter, a contribution to the authorized political committee of  
21 a candidate, or of a state official against whom recall charges have  
22 been filed, is considered to be a contribution to the candidate or  
23 state official.

24 ~~((8)) (3) A contribution received within the twelve-month period~~  
25 ~~after a recall election concerning a state office is considered to be~~  
26 ~~a contribution during that recall campaign if the contribution is used~~  
27 ~~to pay a debt or obligation incurred to influence the outcome of that~~  
28 ~~recall campaign.~~

29 ~~((9) The contributions allowed by subsection (2) of this section~~  
30 ~~are in addition to those allowed by subsection (1) of this section, and~~  
31 ~~the contributions allowed by subsection (4) of this section are in~~  
32 ~~addition to those allowed by subsection (3) of this section.~~

33 ~~(10) RCW 42.17.640 through 42.17.790 apply)) (4) This chapter~~  
34 applies to a special election conducted to fill a vacancy in a state  
35 office. However, the contributions made to a candidate or received by  
36 a candidate for a primary or special election conducted to fill such a  
37 vacancy shall not be counted toward any of the limitations that apply  
38 to the candidate or to contributions made to the candidate for any  
39 other primary or election.

1       (~~((11) Notwithstanding the other subsections of this section, no))~~  
2     (5) A candidate, state official against whom recall charges have been  
3     filed, or political committee having the expectation of making  
4     expenditures in support of the recall of the official may not accept  
5     contributions reportable under this chapter from a corporation or  
6     business entity not doing business in Washington state, (~~no))~~ labor  
7     union with fewer than ten members who reside in Washington state, (~~and~~  
8     ~~no))~~ or political committee that has not received contributions of ten  
9     dollars or more from at least ten persons registered to vote in  
10    Washington state during the preceding one hundred eighty days (~~may~~  
11    ~~make contributions reportable under this chapter to a candidate, to a~~  
12    ~~state official against whom recall charges have been filed, or to a~~  
13    ~~political committee having the expectation of making expenditures in~~  
14    ~~support of the recall of the official)).~~ This subsection does not  
15    apply to loans made in the ordinary course of business.

16       (~~((12) Notwithstanding the other subsections of this section, no~~  
17    ~~county central committee or legislative district committee may make~~  
18    ~~contributions reportable under this chapter to))~~ (6) A candidate, state  
19    official against whom recall charges have been filed, or political  
20    committee having the expectation of making expenditures in support of  
21    the recall of a state official may not accept contributions reportable  
22    under this chapter from a county central committee or legislative  
23    district committee if the county central committee or legislative  
24    district committee is outside (~~of))~~ the jurisdiction entitled to elect  
25    the candidate or recall the state official.

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

28       ~~(14))~~ (7) The following contributions are exempt from the  
29    contribution limits of this section:

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

35       (b) An expenditure by a political committee for its own internal  
36    organization or fund raising without direct association with individual  
37    candidates.

1       **Sec. 10.** RCW 42.17.510 and 1995 c 397 s 19 are each amended to  
2 read as follows:

3       (1) All written political advertising, whether relating to  
4 candidates or ballot propositions, shall include the sponsor's name and  
5 address. All radio and television political advertising, whether  
6 relating to candidates or ballot propositions, shall include the  
7 sponsor's name. The use of an assumed name shall be unlawful. The  
8 party with which a candidate files shall be clearly identified in  
9 political advertising for partisan office.

10       (2) All political advertising by a candidate for state office who  
11 has failed to file a statement of acceptance of voluntary expenditure  
12 limits, as set forth in section 3 of this act, must include, along with  
13 the sponsor's name and address, the following statement: "THIS  
14 CANDIDATE HAS REFUSED TO ACCEPT VOLUNTARY SPENDING LIMITS."

15       (3) In addition to the materials required by subsection (1) of this  
16 section, all political advertising undertaken as an independent  
17 expenditure by a person or entity other than a party organization must  
18 include the following statement on the communication "NOTICE TO VOTERS  
19 (Required by law): This advertisement is not authorized or approved by  
20 any candidate. It is paid for by (name, address, city, state)." If  
21 the advertisement undertaken as an independent expenditure is  
22 undertaken by a nonindividual other than a party organization, then the  
23 following notation must also be included: "Top Five Contributors,"  
24 followed by a listing of the names of the five persons or entities  
25 making the largest contributions reportable under this chapter during  
26 the twelve-month period before the date of the advertisement.

27       ~~((3))~~ (4) The statements and listings of contributors required by  
28 subsections (1) ~~((and (2)))~~ through (3) of this section shall:

29       (a) Appear on the first page or fold of the written communication  
30 in at least ten-point type, or in type at least ten percent of the  
31 largest size type used in a written communication directed at more than  
32 one voter, such as a billboard or poster, whichever is larger;

33       (b) Not be subject to the half-tone or screening process;

34       (c) Be set apart from any other printed matter; and

35       (d) Be clearly spoken on any broadcast advertisement.

36       ~~((4))~~ (5) Political yard signs are exempt from the requirement of  
37 subsections (1) ~~((and (2)))~~ through (3) of this section ~~((that the name~~  
38 ~~and address of the sponsor of political advertising be listed on the~~  
39 ~~advertising))~~. In addition, the public disclosure commission shall, by

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

6 (~~(5)~~) (6) For the purposes of this section, "yard sign" means any  
7 outdoor sign with dimensions no greater than eight feet by four feet.

8 NEW SECTION. Sec. 11. A new section is added to chapter 29.80 RCW  
9 to read as follows:

10 The secretary of state shall add to each candidates' pamphlet a  
11 list of the campaign spending limits recommended by the public  
12 disclosure commission for each of the state offices for which the  
13 statements of candidates appear in the pamphlet and a brief explanation  
14 of the effect of a promise filed with the commission under section 3 of  
15 this act.

16 In preparing the candidates' pamphlet for publication, the  
17 secretary of state shall secure from the public disclosure commission  
18 its most current list of candidates who have promised to limit  
19 spending, in accordance with section 3 of this act. Using this list,  
20 the secretary shall add a prominent notice in the candidates' pamphlet  
21 that must accompany the statement or photograph of each person on the  
22 list. The notice must state: "HAS ACCEPTED THE VOLUNTARY SPENDING  
23 LIMIT FOR THIS CAMPAIGN." With the statement in the pamphlet of each  
24 other candidate for state office, the secretary shall add a prominent  
25 notice that states: "HAS REFUSED TO ACCEPT THE VOLUNTARY SPENDING  
26 LIMIT FOR THIS CAMPAIGN." The notice must accompany the statement or  
27 photograph of each such other candidate.

28 Sec. 12. RCW 42.17.690 and 1993 c 2 s 9 are each amended to read  
29 as follows:

30 (~~At the beginning of each even-numbered calendar year, the~~  
31 ~~commission shall increase or decrease all dollar amounts in this~~  
32 ~~chapter based on changes in economic conditions as reflected in the~~  
33 ~~inflationary index used by the commission under RCW 42.17.370.)) The  
34 commission shall, by January 1, 1998, and by January 1st of each even-  
35 numbered year thereafter, adopt revisions in the existing contribution  
36 and expenditure limits. Revisions must be for the purpose of  
37 recognizing: (1) Changes in the number of registered voters state-~~

1 wide; and (2) economic changes as reflected by an inflationary index  
2 recommended by the office of financial management. The revisions must  
3 be guided by the change in the index for the two-year period before the  
4 date the revision is to be adopted. The new dollar amounts established  
5 by the commission under this section shall be rounded off by the  
6 commission to amounts as judged most convenient for public  
7 understanding and so as to be within ten percent of the target amount  
8 equal to the base amount provided in this chapter multiplied by the  
9 increase in the inflationary index since December 3, 1992.

10 NEW SECTION. Sec. 13. A new section is added to chapter 42.17 RCW  
11 to read as follows:

12 Notwithstanding RCW 42.17.640 and sections 1 and 2 of this act, no  
13 person other than a candidate, a state official against whom recall  
14 charges have been filed, a bona fide political party, or a caucus  
15 political committee, may make contributions reportable under this  
16 chapter to a political committee other than a candidate, a state  
17 official against whom recall charges have been filed, a bona fide  
18 political party, or a caucus political committee, that in the aggregate  
19 exceed five hundred dollars in a calendar year.

20 NEW SECTION. Sec. 14. A new section is added to chapter 42.17 RCW  
21 to read as follows:

22 (1) A for-profit corporation formed under the laws of this or  
23 another state may make a contribution or independent expenditure in  
24 support of or opposition to a candidate for state office or state  
25 ballot proposition only through a political committee established under  
26 this section.

27 (2) A corporation may expend corporate funds to establish and  
28 administer a political committee affiliated with the corporation for  
29 the purposes set forth in subsection (1) of this section, and for the  
30 solicitation of contributions to the committee.

31 (3) Contributions and independent expenditures by the political  
32 committee shall be made only from contributions solicited from the  
33 following persons or their spouses: (a) Stockholders of the  
34 corporation; (b) officers and directors of the corporation; or (c)  
35 employees of the corporation who have policy-making, managerial,  
36 professional, supervisory, or administrative, nonclerical  
37 responsibilities.

1       **Sec. 15.** RCW 42.17.790 and 1995 c 397 s 27 are each amended to  
2 read as follows:

3       (1) ~~((Except as provided in subsection (2) of this section,))~~ A  
4 candidate for public office or the candidate's political committee is  
5 prohibited from accepting contributions or expending any funds  
6 contributed to the candidate or the candidate's political committee  
7 before the designation by the candidate of the office to which the  
8 candidate is seeking election.

9       (2) A candidate for public office or the candidate's political  
10 committee may not use or permit the use of contributions, whether or  
11 not surplus, solicited for or received by the candidate for public  
12 office or the candidate's political committee to further the candidacy  
13 of the individual for an office ((other than the)) unless that specific  
14 office is designated on the statement of organization or has been  
15 expressly designated by the candidate. Within thirty days after the  
16 individual becomes a candidate for an office other than the office  
17 expressly designated by the candidate on the statement of organization,  
18 the candidate or the candidate's political committee shall return  
19 unspent contributions on a pro rata basis according to the  
20 proportionate amount that the original unspent contributions bear to  
21 the total contributions received by the candidate and the candidate's  
22 political committee. Unspent contributions that cannot be returned  
23 after reasonable efforts shall be contributed to a charitable  
24 organization registered under chapter 19.09 RCW. A contribution  
25 solicited for or received on behalf of the candidate for public office  
26 is considered solicited or received for the candidacy for which the  
27 individual is then a candidate if the contribution is solicited or  
28 received before the general elections for which the candidate for  
29 public office is a nominee or is unopposed.

30       ~~((2) With the written approval of the contributor, a candidate for~~  
31 ~~public office or the candidate's political committee may use or permit~~  
32 ~~the use of contributions, whether or not surplus, solicited for or~~  
33 ~~received by the candidate for public office or the candidate's~~  
34 ~~political committee from that contributor to further the candidacy of~~  
35 ~~the individual for an office other than the office designated on the~~  
36 ~~statement of organization. If the contributor does not approve the use~~  
37 ~~of his or her contribution to further the candidacy of the individual~~  
38 ~~for an office other than the office designated on the statement of~~  
39 ~~organization at the time of the contribution, the contribution must be~~

1 ~~considered surplus funds and disposed of in accordance with RCW~~  
2 ~~42.17.095.)~~)

--- END ---