
SUBSTITUTE HOUSE BILL 1352

State of Washington

57th Legislature

2001 Regular Session

By House Committee on State Government (originally sponsored by Representatives McMorris, D. Schmidt, McDermott, Schindler, Haigh, Lambert and Miloscia; by request of Public Disclosure Commission)

Read first time 02/26/2001. Referred to Committee on .

1 AN ACT Relating to correcting inaccurate or procedurally obsolete
2 provisions in the public disclosure commission law; amending RCW
3 42.17.020, 42.17.090, and 42.17.380; and repealing RCW 42.17.700.

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

5 **Sec. 1.** RCW 42.17.020 and 1995 c 397 s 1 are each amended to read
6 as follows:

7 (1) "Agency" includes all state agencies and all local agencies.
8 "State agency" includes every state office, department, division,
9 bureau, board, commission, or other state agency. "Local agency"
10 includes every county, city, town, municipal corporation, quasi-
11 municipal corporation, or special purpose district, or any office,
12 department, division, bureau, board, commission, or agency thereof, or
13 other local public agency.

14 (2) "Authorized committee" means the political committee authorized
15 by a candidate, or by the public official against whom recall charges
16 have been filed, to accept contributions or make expenditures on behalf
17 of the candidate or public official.

18 (3) "Ballot proposition" means any "measure" as defined by RCW
19 29.01.110, or any initiative, recall, or referendum proposition

1 proposed to be submitted to the voters of the state or any municipal
2 corporation, political subdivision, or other voting constituency from
3 and after the time when the proposition has been initially filed with
4 the appropriate election officer of that constituency prior to its
5 circulation for signatures.

6 (4) "Benefit" means a commercial, proprietary, financial, economic,
7 or monetary advantage, or the avoidance of a commercial, proprietary,
8 financial, economic, or monetary disadvantage.

9 (5) "Bona fide political party" means:

10 (a) An organization that has filed a valid certificate of
11 nomination with the secretary of state under chapter 29.24 RCW;

12 (b) The governing body of the state organization of a major
13 political party, as defined in RCW 29.01.090, that is the body
14 authorized by the charter or bylaws of the party to exercise authority
15 on behalf of the state party; or

16 (c) The county central committee or legislative district committee
17 of a major political party. There may be only one legislative district
18 committee for each party in each legislative district.

19 (6) "Depository" means a bank designated by a candidate or
20 political committee pursuant to RCW 42.17.050.

21 (7) "Treasurer" and "deputy treasurer" mean the individuals
22 appointed by a candidate or political committee, pursuant to RCW
23 42.17.050, to perform the duties specified in that section.

24 (8) "Candidate" means any individual who seeks nomination for
25 election or election to public office. An individual seeks nomination
26 or election when he or she first:

27 (a) Receives contributions or makes expenditures or reserves space
28 or facilities with intent to promote his or her candidacy for office;

29 (b) Announces publicly or files for office;

30 (c) Purchases commercial advertising space or broadcast time to
31 promote his or her candidacy; or

32 (d) Gives his or her consent to another person to take on behalf of
33 the individual any of the actions in (a) or (c) of this subsection.

34 (9) "Caucus political committee" means a political committee
35 organized and maintained by the members of a major political party in
36 the state senate or state house of representatives.

37 (10) "Commercial advertiser" means any person who sells the service
38 of communicating messages or producing printed material for broadcast
39 or distribution to the general public or segments of the general public

1 whether through the use of newspapers, magazines, television and radio
2 stations, billboard companies, direct mail advertising companies,
3 printing companies, or otherwise.

4 (11) "Commission" means the agency established under RCW 42.17.350.

5 (12) "Compensation" unless the context requires a narrower meaning,
6 includes payment in any form for real or personal property or services
7 of any kind: PROVIDED, That for the purpose of compliance with RCW
8 42.17.241, the term "compensation" shall not include per diem
9 allowances or other payments made by a governmental entity to reimburse
10 a public official for expenses incurred while the official is engaged
11 in the official business of the governmental entity.

12 (13) "Continuing political committee" means a political committee
13 that is an organization of continuing existence not established in
14 anticipation of any particular election campaign.

15 (14)(a) "Contribution" includes:

16 (i) A loan, gift, deposit, subscription, forgiveness of
17 indebtedness, donation, advance, pledge, payment, transfer of funds
18 between political committees, or anything of value, including personal
19 and professional services for less than full consideration;

20 (ii) An expenditure made by a person in cooperation, consultation,
21 or concert with, or at the request or suggestion of, a candidate, a
22 political committee, or their agents;

23 (iii) The financing by a person of the dissemination, distribution,
24 or republication, in whole or in part, of broadcast, written, graphic,
25 or other form of political advertising prepared by a candidate, a
26 political committee, or its authorized agent;

27 (iv) Sums paid for tickets to fund-raising events such as dinners
28 and parties, except for the actual cost of the consumables furnished at
29 the event.

30 (b) "Contribution" does not include:

31 (i) Standard interest on money deposited in a political committee's
32 account;

33 (ii) Ordinary home hospitality;

34 (iii) A contribution received by a candidate or political committee
35 that is returned to the contributor within five business days of the
36 date on which it is received by the candidate or political committee;

37 (iv) A news item, feature, commentary, or editorial in a regularly
38 scheduled news medium that is of primary interest to the general
39 public, that is in a news medium controlled by a person whose business

1 is that news medium, and that is not controlled by a candidate or a
2 political committee;

3 (v) An internal political communication primarily limited to the
4 members of or contributors to a political party organization or
5 political committee, or to the officers, management staff, or
6 stockholders of a corporation or similar enterprise, or to the members
7 of a labor organization or other membership organization;

8 (vi) The rendering of personal services of the sort commonly
9 performed by volunteer campaign workers, or incidental expenses
10 personally incurred by volunteer campaign workers not in excess of
11 fifty dollars personally paid for by the worker. "Volunteer services,"
12 for the purposes of this section, means services or labor for which the
13 individual is not compensated by any person;

14 (vii) Messages in the form of reader boards, banners, or yard or
15 window signs displayed on a person's own property or property occupied
16 by a person. However, a facility used for such political advertising
17 for which a rental charge is normally made must be reported as an in-
18 kind contribution and counts towards any applicable contribution limit
19 of the person providing the facility;

20 (viii) Legal or accounting services rendered to or on behalf of:

21 (A) A political party or caucus political committee if the person
22 paying for the services is the regular employer of the person rendering
23 such services; or

24 (B) A candidate or an authorized committee if the person paying for
25 the services is the regular employer of the individual rendering the
26 services and if the services are solely for the purpose of ensuring
27 compliance with state election or public disclosure laws.

28 (c) Contributions other than money or its equivalent are deemed to
29 have a monetary value equivalent to the fair market value of the
30 contribution. Services or property or rights furnished at less than
31 their fair market value for the purpose of assisting any candidate or
32 political committee are deemed a contribution. Such a contribution
33 must be reported as an in-kind contribution at its fair market value
34 and counts towards any applicable contribution limit of the provider.

35 (15) "Elected official" means any person elected at a general or
36 special election to any public office, and any person appointed to fill
37 a vacancy in any such office.

38 (16) "Election" includes any primary, general, or special election
39 for public office and any election in which a ballot proposition is

1 submitted to the voters: PROVIDED, That an election in which the
2 qualifications for voting include other than those requirements set
3 forth in Article VI, section 1 (Amendment 63) of the Constitution of
4 the state of Washington shall not be considered an election for
5 purposes of this chapter.

6 (17) "Election campaign" means any campaign in support of or in
7 opposition to a candidate for election to public office and any
8 campaign in support of, or in opposition to, a ballot proposition.

9 (18) "Election cycle" means the period beginning on the first day
10 of December after the date of the last previous general election for
11 the office that the candidate seeks and ending on November 30th after
12 the next election for the office. In the case of a special election to
13 fill a vacancy in an office, "election cycle" means the period
14 beginning on the day the vacancy occurs and ending on November 30th
15 after the special election.

16 (19) "Expenditure" includes a payment, contribution, subscription,
17 distribution, loan, advance, deposit, or gift of money or anything of
18 value, and includes a contract, promise, or agreement, whether or not
19 legally enforceable, to make an expenditure. The term "expenditure"
20 also includes a promise to pay, a payment, or a transfer of anything of
21 value in exchange for goods, services, property, facilities, or
22 anything of value for the purpose of assisting, benefiting, or honoring
23 any public official or candidate, or assisting in furthering or
24 opposing any election campaign. For the purposes of this chapter,
25 agreements to make expenditures, contracts, and promises to pay may be
26 reported as estimated obligations until actual payment is made. The
27 term "expenditure" shall not include the partial or complete repayment
28 by a candidate or political committee of the principal of a loan, the
29 receipt of which loan has been properly reported.

30 (20) "Final report" means the report described as a final report in
31 RCW 42.17.080(2).

32 (21) "General election" for the purposes of the limits in RCW
33 42.17.640 means the election that results in the election of a person
34 to a state office. It does not include a primary.

35 (22) "Gift," is as defined in RCW 42.52.010.

36 (23) "Immediate family" includes the spouse, dependent children,
37 and other dependent relatives, if living in the household. For the
38 purposes of RCW 42.17.640 through 42.17.790, "immediate family" means
39 an individual's spouse, and child, stepchild, grandchild, parent,

1 stepparent, grandparent, brother, half brother, sister, or half sister
2 of the individual and the spouse of any such person and a child,
3 stepchild, grandchild, parent, stepparent, grandparent, brother, half
4 brother, sister, or half sister of the individual's spouse and the
5 spouse of any such person.

6 (24) "Independent expenditure" means an expenditure that has each
7 of the following elements:

8 (a) It is made in support of or in opposition to a candidate for
9 office by a person who is not (i) a candidate for that office, (ii) an
10 authorized committee of that candidate for that office, (iii) a person
11 who has received the candidate's encouragement or approval to make the
12 expenditure, if the expenditure pays in whole or in part for political
13 advertising supporting that candidate or promoting the defeat of any
14 other candidate or candidates for that office, or (iv) a person with
15 whom the candidate has collaborated for the purpose of making the
16 expenditure, if the expenditure pays in whole or in part for political
17 advertising supporting that candidate or promoting the defeat of any
18 other candidate or candidates for that office;

19 (b) The expenditure pays in whole or in part for political
20 advertising that either specifically names the candidate supported or
21 opposed, or clearly and beyond any doubt identifies the candidate
22 without using the candidate's name; and

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

29 (25)(a) "Intermediary" means an individual who transmits a
30 contribution to a candidate or committee from another person unless the
31 contribution is from the individual's employer, immediate family as
32 defined for purposes of RCW 42.17.640 through 42.17.790, or an
33 association to which the individual belongs.

34 (b) A treasurer or a candidate is not an intermediary for purposes
35 of the committee that the treasurer or candidate serves.

36 (c) A professional fund-raiser is not an intermediary if the fund-
37 raiser is compensated for fund-raising services at the usual and
38 customary rate.

1 (d) A volunteer hosting a fund-raising event at the individual's
2 home is not an intermediary for purposes of that event.

3 (26) "Legislation" means bills, resolutions, motions, amendments,
4 nominations, and other matters pending or proposed in either house of
5 the state legislature, and includes any other matter that may be the
6 subject of action by either house or any committee of the legislature
7 and all bills and resolutions that, having passed both houses, are
8 pending approval by the governor.

9 (27) "Lobby" and "lobbying" each mean attempting to influence the
10 passage or defeat of any legislation by the legislature of the state of
11 Washington, or the adoption or rejection of any rule, standard, rate,
12 or other legislative enactment of any state agency under the state
13 Administrative Procedure Act, chapter 34.05 RCW. Neither "lobby" nor
14 "lobbying" includes an association's or other organization's act of
15 communicating with the members of that association or organization.

16 (28) "Lobbyist" includes any person who lobbies either in his or
17 her own or another's behalf.

18 (29) "Lobbyist's employer" means the person or persons by whom a
19 lobbyist is employed and all persons by whom he or she is compensated
20 for acting as a lobbyist.

21 (30) "Person" includes an individual, partnership, joint venture,
22 public or private corporation, association, federal, state, or local
23 governmental entity or agency however constituted, candidate,
24 committee, political committee, political party, executive committee
25 thereof, or any other organization or group of persons, however
26 organized.

27 (31) "Person in interest" means the person who is the subject of a
28 record or any representative designated by that person, except that if
29 that person is under a legal disability, the term "person in interest"
30 means and includes the parent or duly appointed legal representative.

31 (32) "Political advertising" includes any advertising displays,
32 newspaper ads, billboards, signs, brochures, articles, tabloids,
33 flyers, letters, radio or television presentations, or other means of
34 mass communication, used for the purpose of appealing, directly or
35 indirectly, for votes or for financial or other support in any election
36 campaign.

37 (33) "Political committee" means any person (except a candidate or
38 an individual dealing with his or her own funds or property) having the

1 expectation of receiving contributions or making expenditures in
2 support of, or opposition to, any candidate or any ballot proposition.

3 (34) "Primary" for purposes of the limits in RCW 42.17.640 means
4 the procedure for nominating a candidate to state office under
5 (~~chapter 29.18 or 29.21 RCW or any other primary for an election that~~
6 ~~uses, in large measure, the procedures established in chapter 29.18 or~~
7 ~~29.21 RCW~~) Title 29 RCW.

8 (35) "Public office" means any federal, state, county, city, town,
9 school district, port district, special district, or other state
10 political subdivision elective office.

11 (36) "Public record" includes any writing containing information
12 relating to the conduct of government or the performance of any
13 governmental or proprietary function prepared, owned, used, or retained
14 by any state or local agency regardless of physical form or
15 characteristics. For the office of the secretary of the senate and the
16 office of the chief clerk of the house of representatives, public
17 records means legislative records as defined in RCW 40.14.100 and also
18 means the following: All budget and financial records; personnel
19 leave, travel, and payroll records; records of legislative sessions;
20 reports submitted to the legislature; and any other record designated
21 a public record by any official action of the senate or the house of
22 representatives.

23 (37) "Recall campaign" means the period of time beginning on the
24 date of the filing of recall charges under RCW 29.82.015 and ending
25 thirty days after the recall election.

26 (38) "State legislative office" means the office of a member of the
27 state house of representatives or the office of a member of the state
28 senate.

29 (39) "State office" means state legislative office or the office of
30 governor, lieutenant governor, secretary of state, attorney general,
31 commissioner of public lands, insurance commissioner, superintendent of
32 public instruction, state auditor, or state treasurer.

33 (40) "State official" means a person who holds a state office.

34 (41) "Surplus funds" mean, in the case of a political committee or
35 candidate, the balance of contributions that remain in the possession
36 or control of that committee or candidate subsequent to the election
37 for which the contributions were received, and that are in excess of
38 the amount necessary to pay remaining debts incurred by the committee
39 or candidate prior to that election. In the case of a continuing

1 political committee, "surplus funds" mean those contributions remaining
2 in the possession or control of the committee that are in excess of the
3 amount necessary to pay all remaining debts when it makes its final
4 report under RCW 42.17.065.

5 (42) "Writing" means handwriting, typewriting, printing,
6 photostating, photographing, and every other means of recording any
7 form of communication or representation, including, but not limited to,
8 letters, words, pictures, sounds, or symbols, or combination thereof,
9 and all papers, maps, magnetic or paper tapes, photographic films and
10 prints, motion picture, film and video recordings, magnetic or punched
11 cards, discs, drums, diskettes, sound recordings, and other documents
12 including existing data compilations from which information may be
13 obtained or translated.

14 As used in this chapter, the singular shall take the plural and any
15 gender, the other, as the context requires.

16 **Sec. 2.** RCW 42.17.090 and 1993 c 256 s 6 are each amended to read
17 as follows:

18 (1) Each report required under RCW 42.17.080 (1) and (2) shall
19 disclose the following:

20 (a) The funds on hand at the beginning of the period;

21 (b) The name and address of each person who has made one or more
22 contributions during the period, together with the money value and date
23 of such contributions and the aggregate value of all contributions
24 received from each such person during the campaign or in the case of a
25 continuing political committee, the current calendar year: PROVIDED,
26 That pledges in the aggregate of less than one hundred dollars from any
27 one person need not be reported: PROVIDED FURTHER, That the income
28 which results from a fund-raising activity conducted in accordance with
29 RCW 42.17.067 may be reported as one lump sum, with the exception of
30 that portion of such income which was received from persons whose names
31 and addresses are required to be included in the report required by RCW
32 42.17.067: PROVIDED FURTHER, That contributions of no more than
33 twenty-five dollars in the aggregate from any one person during the
34 election campaign may be reported as one lump sum so long as the
35 campaign treasurer maintains a separate and private list of the name,
36 address, and amount of each such contributor: PROVIDED FURTHER, That
37 the money value of contributions of postage shall be the face value of
38 such postage;

1 (c) Each loan, promissory note, or security instrument to be used
2 by or for the benefit of the candidate or political committee made by
3 any person, together with the names and addresses of the lender and
4 each person liable directly, indirectly or contingently and the date
5 and amount of each such loan, promissory note, or security instrument;

6 (d) All other contributions not otherwise listed or exempted;

7 (e) The name and address of each candidate or political committee
8 to which any transfer of funds was made, together with the amounts and
9 dates of such transfers;

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

28 ~~(g) ((The name and address of each person to whom any expenditure~~
29 ~~was made directly or indirectly to compensate the person for soliciting~~
30 ~~or procuring signatures on an initiative or referendum petition, the~~
31 ~~amount of such compensation to each such person, and the total of the~~
32 ~~expenditures made for this purpose. — Such expenditures shall be~~
33 ~~reported under this subsection (1)(g) whether the expenditures are or~~
34 ~~are not also required to be reported under (f) of this subsection;~~

35 (h)) The name and address of any person and the amount owed for
36 any debt, obligation, note, unpaid loan, or other liability in the
37 amount of more than two hundred fifty dollars or in the amount of more
38 than fifty dollars that has been outstanding for over thirty days;

1 (~~(i)~~) (h) The surplus or deficit of contributions over
2 expenditures;

3 (~~(j)~~) (i) The disposition made in accordance with RCW 42.17.095
4 of any surplus funds;

5 (~~(k)~~) (j) Such other information as shall be required by the
6 commission by rule in conformance with the policies and purposes of
7 this chapter; and

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

37 (2) The treasurer and the candidate shall certify the correctness
38 of each report.

1 **Sec. 3.** RCW 42.17.380 and 1982 c 35 s 196 are each amended to read
2 as follows:

3 (~~(1) The office of the secretary of state shall be designated as~~
4 ~~a place where the public may file papers or correspond with the~~
5 ~~commission and receive any form or instruction from the commission.~~

6 (2)) The attorney general, through his or her office, shall supply
7 such assistance as the commission may require in order to carry out its
8 responsibilities under this chapter. The commission may employ
9 attorneys who are neither the attorney general nor an assistant
10 attorney general to carry out any function of the attorney general
11 prescribed in this chapter.

12 NEW SECTION. **Sec. 4.** RCW 42.17.700 (Contributions before December
13 3, 1992) and 1993 c 2 s 10 are each repealed.

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