

ESHB 2938 - S COMM AMD

By Committee on Ways & Means

ADOPTED AS AMENDED 02/27/2018

1 Strike everything after the enacting clause and insert the
2 following:

3
4 NEW SECTION. **Sec. 1.** The legislature finds that state campaign
5 finance laws are intended to provide maximum transparency to the
6 public and voters so they may know who is funding political
7 campaigns and how those campaigns spend their money. Additionally,
8 our campaign finance laws should not be so complex and complicated
9 that volunteers and newcomers to the political process cannot
10 understand the rules or have difficulty following them. The
11 legislature believes that our campaign finance laws should not be a
12 barrier to participating in the political process, but instead
13 encourage people to participate in the process by ensuring a level
14 playing field and a predictable enforcement mechanism. The
15 legislature intends to simplify the political reporting and
16 enforcement process without sacrificing transparency and the
17 public's right to know who funds political campaigns. The
18 legislature also intends to expedite the public disclosure
19 commission's enforcement procedures so that remedial campaign
20 finance violations can be dealt with administratively.

21 The intent of the law is not to trap or embarrass people when
22 they make honest remediable errors. A majority of smaller campaigns
23 are volunteer-driven and most treasurers are not professional
24 accountants. The public disclosure commission should be guided to
25 review and address major violations, intentional violations, and
26 violations that could change the outcome of an election or
27 materially affect the public interest.

1 **Sec. 2.** RCW 42.17A.005 and 2011 c 145 s 2 and 2011 c 60 s 19
2 are each reenacted and amended to read as follows:

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

5 (1) "Actual malice" means to act with knowledge of falsity or
6 with reckless disregard as to truth or falsity.

7 (2) "Actual violation" means a violation of this chapter that is
8 not a remedial violation or technical correction.

9 (3) "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,
15 or other local public agency.

16 (~~(3)~~) (4) "Authorized committee" means the political committee
17 authorized by a candidate, or by the public official against whom
18 recall charges have been filed, to accept contributions or make
19 expenditures on behalf of the candidate or public official.

20 (~~(4)~~) (5) "Ballot proposition" means any "measure" as defined
21 by RCW 29A.04.091, or any initiative, recall, or referendum
22 proposition proposed to be submitted to the voters of the state or
23 any municipal corporation, political subdivision, or other voting
24 constituency from and after the time when the proposition has been
25 initially filed with the appropriate election officer of that
26 constituency before its circulation for signatures.

27 (~~(5)~~) (6) "Benefit" means a commercial, proprietary,
28 financial, economic, or monetary advantage, or the avoidance of a
29 commercial, proprietary, financial, economic, or monetary
30 disadvantage.

31 (~~(6)~~) (7) "Bona fide political party" means:

32 (a) An organization that has been recognized as a minor
33 political party by the secretary of state;

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1 (b) The governing body of the state organization of a major
2 political party, as defined in RCW 29A.04.086, that is the body
3 authorized by the charter or bylaws of the party to exercise
4 authority on behalf of the state party; or

5 (c) The county central committee or legislative district
6 committee of a major political party. There may be only one
7 legislative district committee for each party in each legislative
8 district.

9 ~~((+7))~~ (8) "Books of account" means:

10 (a) In the case of a campaign or political committee, a ledger
11 or similar listing of contributions, expenditures, and debts, such
12 as a campaign or committee is required to file regularly with the
13 commission, current as of the most recent business day; or

14 (b) In the case of a commercial advertiser, details of political
15 advertising or electioneering communications provided by the
16 advertiser, including the names and addresses of persons from whom
17 it accepted political advertising or electioneering communications,
18 the exact nature and extent of the services rendered and the total
19 cost and the manner of payment for the services.

20 (9) "Candidate" means any individual who seeks nomination for
21 election or election to public office. An individual seeks
22 nomination or election when he or she first:

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

26 (b) Announces publicly or files for office;

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

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

32 ~~((+8))~~ (10) "Caucus political committee" means a political
33 committee organized and maintained by the members of a major

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1 political party in the state senate or state house of
2 representatives.

3 ~~((9))~~ (11) "Commercial advertiser" means any person who sells
4 the service of communicating messages or producing printed material
5 for broadcast or distribution to the general public or segments of
6 the general public whether through the use of newspapers, magazines,
7 television and radio stations, billboard companies, direct mail
8 advertising companies, printing companies, or otherwise.

9 ~~((10))~~ (12) "Commission" means the agency established under
10 RCW 42.17A.100.

11 ~~((11))~~ (13) "Committee" unless the context indicates
12 otherwise, includes any candidate, ballot measure, recall,
13 political, or continuing committee.

14 (14) "Compensation" unless the context requires a narrower
15 meaning, includes payment in any form for real or personal property
16 or services of any kind. For the purpose of compliance with RCW
17 42.17A.710, "compensation" does not include per diem allowances or
18 other payments made by a governmental entity to reimburse a public
19 official for expenses incurred while the official is engaged in the
20 official business of the governmental entity.

21 ~~((12))~~ (15) "Continuing political committee" means a political
22 committee that is an organization of continuing existence not
23 established in anticipation of any particular election campaign.

24 ~~((13))~~ (16)(a) "Contribution" includes:

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

29 (ii) An expenditure made by a person in cooperation,
30 consultation, or concert with, or at the request or suggestion of, a
31 candidate, a political committee, the person or persons named on the
32 candidate's or committee's registration form who direct expenditures
33 on behalf of the candidate or committee, or their agents;

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1 (iii) The financing by a person of the dissemination,
2 distribution, or republication, in whole or in part, of broadcast,
3 written, graphic, or other form of political advertising or
4 electioneering communication prepared by a candidate, a political
5 committee, or its authorized agent;

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

9 (b) "Contribution" does not include:

10 (i) (~~Standard~~) Legally accrued interest on money deposited in
11 a political committee's account;

12 (ii) Ordinary home hospitality;

13 (iii) A contribution received by a candidate or political
14 committee that is returned to the contributor within (~~five~~) ten
15 business days of the date on which it is received by the candidate
16 or political committee;

17 (iv) A news item, feature, commentary, or editorial in a
18 regularly scheduled news medium that is of primary interest to the
19 general public, that is in a news medium controlled by a person
20 whose business is that news medium, and that is not controlled by a
21 candidate or a political committee;

22 (v) An internal political communication primarily limited to the
23 members of or contributors to a political party organization or
24 political committee, or to the officers, management staff, or
25 stockholders of a corporation or similar enterprise, or to the
26 members of a labor organization or other membership organization;

27 (vi) The rendering of personal services of the sort commonly
28 performed by volunteer campaign workers, or incidental expenses
29 personally incurred by volunteer campaign workers not in excess of
30 fifty dollars personally paid for by the worker. "Volunteer
31 services," for the purposes of this subsection, means services or
32 labor for which the individual is not compensated by any person;

33 (vii) Messages in the form of reader boards, banners, or yard or
34 window signs displayed on a person's own property or property

1 occupied by a person. However, a facility used for such political
2 advertising for which a rental charge is normally made must be
3 reported as an in-kind contribution and counts towards any
4 applicable contribution limit of the person providing the facility;

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

6 (A) A political party or caucus political committee if the
7 person paying for the services is the regular employer of the person
8 rendering such services; or

9 (B) A candidate or an authorized committee if the person paying
10 for the services is the regular employer of the individual rendering
11 the services and if the services are solely for the purpose of
12 ensuring compliance with state election or public disclosure laws;
13 or

14 (ix) The performance of ministerial functions by a person on
15 behalf of two or more candidates or political committees either as
16 volunteer services defined in (b)(vi) of this subsection or for
17 payment by the candidate or political committee for whom the
18 services are performed as long as:

19 (A) The person performs solely ministerial functions;

20 (B) A person who is paid by two or more candidates or political
21 committees is identified by the candidates and political committees
22 on whose behalf services are performed as part of their respective
23 statements of organization under RCW 42.17A.205; and

24 (C) The person does not disclose, except as required by law, any
25 information regarding a candidate's or committee's plans, projects,
26 activities, or needs, or regarding a candidate's or committee's
27 contributions or expenditures that is not already publicly available
28 from campaign reports filed with the commission, or otherwise engage
29 in activity that constitutes a contribution under (a)(ii) of this
30 subsection.

31 A person who performs ministerial functions under this
32 subsection (~~((+13+))~~) (16)(b)(ix) is not considered an agent of the
33 candidate or committee as long as he or she has no authority to

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1 authorize expenditures or make decisions on behalf of the candidate
2 or committee.

3 (c) Contributions other than money or its equivalent are deemed
4 to have a monetary value equivalent to the fair market value of the
5 contribution. Services or property or rights furnished at less than
6 their fair market value for the purpose of assisting any candidate
7 or political committee are deemed a contribution. Such a
8 contribution must be reported as an in-kind contribution at its fair
9 market value and counts towards any applicable contribution limit of
10 the provider.

11 ~~((14))~~ (17) "Depository" means a bank, mutual savings bank,
12 savings and loan association, or credit union doing business in this
13 state.

14 ~~((15))~~ (18) "Elected official" means any person elected at a
15 general or special election to any public office, and any person
16 appointed to fill a vacancy in any such office.

17 ~~((16))~~ (19) "Election" includes any primary, general, or
18 special election for public office and any election in which a
19 ballot proposition is submitted to the voters. An election in which
20 the qualifications for voting include other than those requirements
21 set forth in Article VI, section 1 (Amendment 63) of the
22 Constitution of the state of Washington shall not be considered an
23 election for purposes of this chapter.

24 ~~((17))~~ (20) "Election campaign" means any campaign in support
25 of or in opposition to a candidate for election to public office and
26 any campaign in support of, or in opposition to, a ballot
27 proposition.

28 ~~((18))~~ (21) "Election cycle" means the period beginning on the
29 first day of January after the date of the last previous general
30 election for the office that the candidate seeks and ending on
31 December 31st after the next election for the office. In the case of
32 a special election to fill a vacancy in an office, "election cycle"
33 means the period beginning on the day the vacancy occurs and ending
34 on December 31st after the special election.

1 (~~(19)~~) (22)(a) "Electioneering communication" means any
2 broadcast, cable, or satellite television (~~(or)~~), radio
3 transmission, digital communication, United States postal service
4 mailing, billboard, newspaper, or periodical that:

5 (i) Clearly identifies a candidate for a state, local, or
6 judicial office either by specifically naming the candidate, or
7 identifying the candidate without using the candidate's name;

8 (ii) Is broadcast, transmitted electronically or by other means,
9 mailed, erected, distributed, or otherwise published within sixty
10 days before any election for that office in the jurisdiction in
11 which the candidate is seeking election; and

12 (iii) Either alone, or in combination with one or more
13 communications identifying the candidate by the same sponsor during
14 the sixty days before an election, has a fair market value of one
15 thousand dollars or more.

16 (b) "Electioneering communication" does not include:

17 (i) Usual and customary advertising of a business owned by a
18 candidate, even if the candidate is mentioned in the advertising
19 when the candidate has been regularly mentioned in that advertising
20 appearing at least twelve months preceding his or her becoming a
21 candidate;

22 (ii) Advertising for candidate debates or forums when the
23 advertising is paid for by or on behalf of the debate or forum
24 sponsor, so long as two or more candidates for the same position
25 have been invited to participate in the debate or forum;

26 (iii) A news item, feature, commentary, or editorial in a
27 regularly scheduled news medium that is:

28 (A) Of primary interest to the general public;

29 (B) In a news medium controlled by a person whose business is
30 that news medium; and

31 (C) Not a medium controlled by a candidate or a political
32 committee;

33 (iv) Slate cards and sample ballots;

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1 (v) Advertising for books, films, dissertations, or similar
2 works (A) written by a candidate when the candidate entered into a
3 contract for such publications or media at least twelve months
4 before becoming a candidate, or (B) written about a candidate;
5 (vi) Public service announcements;
6 (vii) (~~(A-mailed)~~) An internal political communication primarily
7 limited to the members of or contributors to a political party
8 organization or political committee, or to the officers, management
9 staff, or stockholders of a corporation or similar enterprise, or to
10 the members of a labor organization or other membership
11 organization;
12 (viii) An expenditure by or contribution to the authorized
13 committee of a candidate for state, local, or judicial office; or
14 (ix) Any other communication exempted by the commission through
15 rule consistent with the intent of this chapter.
16 (~~(+20+)~~) (23) "Expenditure" includes a payment, contribution,
17 subscription, distribution, loan, advance, deposit, or gift of money
18 or anything of value, and includes a contract, promise, or
19 agreement, whether or not legally enforceable, to make an
20 expenditure. "Expenditure" also includes a promise to pay, a
21 payment, or a transfer of anything of value in exchange for goods,
22 services, property, facilities, or anything of value for the purpose
23 of assisting, benefiting, or honoring any public official or
24 candidate, or assisting in furthering or opposing any election
25 campaign. For the purposes of this chapter, agreements to make
26 expenditures, contracts, and promises to pay may be reported as
27 estimated obligations until actual payment is made. "Expenditure"
28 shall not include the partial or complete repayment by a candidate
29 or political committee of the principal of a loan, the receipt of
30 which loan has been properly reported.
31 (~~(+21+)~~) (24) "Final report" means the report described as a
32 final report in RCW 42.17A.235(2).

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1 (~~(22)~~) (25) "General election" for the purposes of RCW
2 42.17A.405 means the election that results in the election of a
3 person to a state or local office. It does not include a primary.
4 (~~(23)~~) (26) "Gift" has the definition in RCW 42.52.010.
5 (~~(24)~~) (27) "Immediate family" includes the spouse or domestic
6 partner, dependent children, and other dependent relatives, if
7 living in the household. For the purposes of the definition of
8 "intermediary" in this section, "immediate family" means an
9 individual's spouse or domestic partner, and child, stepchild,
10 grandchild, parent, stepparent, grandparent, brother, half brother,
11 sister, or half sister of the individual and the spouse or the
12 domestic partner of any such person and a child, stepchild,
13 grandchild, parent, stepparent, grandparent, brother, half brother,
14 sister, or half sister of the individual's spouse or domestic
15 partner and the spouse or the domestic partner of any such person.
16 (~~(25)~~) (28) "Incumbent" means a person who is in present
17 possession of an elected office.
18 (~~(26)~~) (29)(a) "Independent expenditure" means an expenditure
19 that has each of the following elements:
20 (~~(a)~~) (i) It is made in support of or in opposition to a
21 candidate for office by a person who is not (~~(i)~~):
22 (A) A candidate for that office(~~(, (ii))~~);
23 (B) An authorized committee of that candidate for that office(~~(, (~~
24 ~~iii))~~); and
25 (C) A person who has received the candidate's encouragement or
26 approval to make the expenditure, if the expenditure pays in whole
27 or in part for political advertising supporting that candidate or
28 promoting the defeat of any other candidate or candidates for that
29 office(~~(, or (iv))~~);
30 (ii) It is made in support of or in opposition to a candidate
31 for office by a person with whom the candidate has not collaborated
32 for the purpose of making the expenditure, if the expenditure pays
33 in whole or in part for political advertising supporting that
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1 candidate or promoting the defeat of any other candidate or
2 candidates for that office;

3 ~~((b))~~ (iii) The expenditure pays in whole or in part for
4 political advertising that either specifically names the candidate
5 supported or opposed, or clearly and beyond any doubt identifies the
6 candidate without using the candidate's name; and

7 ~~((e))~~ (iv) The expenditure, alone or in conjunction with
8 another expenditure or other expenditures of the same person in
9 support of or opposition to that candidate, has a value of ~~((eight~~
10 ~~hundred dollars))~~ one-half the contribution limit from an individual
11 per election or more. A series of expenditures, each of which is
12 under ~~((eight hundred dollars))~~ one-half the contribution limit from
13 an individual per election, constitutes one independent expenditure
14 if their cumulative value is ~~((eight hundred dollars))~~ one-half the
15 contribution limit from an individual per election or more.

16 ~~((27))~~ (b) "Independent expenditure" does not include:
17 Ordinary home hospitality; communications with journalists or
18 editorial staff designed to elicit a news item, feature, commentary,
19 or editorial in a regularly scheduled news medium that is of primary
20 interest to the general public, controlled by a person whose
21 business is that news medium, and not controlled by a candidate or a
22 political committee; participation in the creation of a publicly
23 funded voters pamphlet statement in written or video form; an
24 internal political communication primarily limited to contributors
25 to a political party organization or political action committee, the
26 officers, management staff, and stockholders of a corporation or
27 similar enterprise, or the members of a labor organization or other
28 membership organization; or the rendering of personal services of
29 the sort commonly performed by volunteer campaign workers or
30 incidental expenses personally incurred by volunteer campaign
31 workers not in excess of two hundred fifty dollars personally paid
32 for by the worker.

33 (30)(a) "Intermediary" means an individual who transmits a
34 contribution to a candidate or committee from another person unless

1 the contribution is from the individual's employer, immediate
2 family, or an association to which the individual belongs.

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

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

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

10 (~~(+28+)~~) (31) "Legislation" means bills, resolutions, motions,
11 amendments, nominations, and other matters pending or proposed in
12 either house of the state legislature, and includes any other matter
13 that may be the subject of action by either house or any committee
14 of the legislature and all bills and resolutions that, having passed
15 both houses, are pending approval by the governor.

16 (~~(+29+)~~) (32) "Legislative office" means the office of a member
17 of the state house of representatives or the office of a member of
18 the state senate.

19 (~~(+30+)~~) (33) "Lobby" and "lobbying" each mean attempting to
20 influence the passage or defeat of any legislation by the
21 legislature of the state of Washington, or the adoption or rejection
22 of any rule, standard, rate, or other legislative enactment of any
23 state agency under the state administrative procedure act, chapter
24 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's
25 or other organization's act of communicating with the members of
26 that association or organization.

27 (~~(+31+)~~) (34) "Lobbyist" includes any person who lobbies either
28 in his or her own or another's behalf.

29 (~~(+32+)~~) (35) "Lobbyist's employer" means the person or persons
30 by whom a lobbyist is employed and all persons by whom he or she is
31 compensated for acting as a lobbyist.

32 (~~(+33+)~~) (36) "Ministerial functions" means an act or duty
33 carried out as part of the duties of an administrative office
34 without exercise of personal judgment or discretion.

1 (~~(34)~~) (37) "Participate" means that, with respect to a
2 particular election, an entity:

3 (a) Makes either a monetary or in-kind contribution to a
4 candidate;

5 (b) Makes an independent expenditure or electioneering
6 communication in support of or opposition to a candidate;

7 (c) Endorses a candidate before contributions are made by a
8 subsidiary corporation or local unit with respect to that candidate
9 or that candidate's opponent;

10 (d) Makes a recommendation regarding whether a candidate should
11 be supported or opposed before a contribution is made by a
12 subsidiary corporation or local unit with respect to that candidate
13 or that candidate's opponent; or

14 (e) Directly or indirectly collaborates or consults with a
15 subsidiary corporation or local unit on matters relating to the
16 support of or opposition to a candidate, including, but not limited
17 to, the amount of a contribution, when a contribution should be
18 given, and what assistance, services or independent expenditures, or
19 electioneering communications, if any, will be made or should be
20 made in support of or opposition to a candidate.

21 (~~(35)~~) (38) "Person" includes an individual, partnership,
22 joint venture, public or private corporation, association, federal,
23 state, or local governmental entity or agency however constituted,
24 candidate, committee, political committee, political party,
25 executive committee thereof, or any other organization or group of
26 persons, however organized.

27 (~~(36)~~) (39) "Political advertising" includes any advertising
28 displays, newspaper ads, billboards, signs, brochures, articles,
29 tabloids, flyers, letters, radio or television presentations,
30 digital communication, or other means of mass communication, used
31 for the purpose of appealing, directly or indirectly, for votes or
32 for financial or other support or opposition in any election
33 campaign.

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1 (~~(37)~~) (40) "Political committee" means any person (except a
2 candidate or an individual dealing with his or her own funds or
3 property) having the expectation of receiving contributions or
4 making expenditures in support of, or opposition to, any candidate
5 or any ballot proposition.

6 (~~(38)~~) (41) "Primary" for the purposes of RCW 42.17A.405 means
7 the procedure for nominating a candidate to state or local office
8 under chapter 29A.52 RCW or any other primary for an election that
9 uses, in large measure, the procedures established in chapter 29A.52
10 RCW.

11 (~~(39)~~) (42) "Public office" means any federal, state,
12 judicial, county, city, town, school district, port district,
13 special district, or other state political subdivision elective
14 office.

15 (~~(40)~~) (43) "Public record" has the definition in RCW
16 42.56.010.

17 (~~(41)~~) (44) "Recall campaign" means the period of time
18 beginning on the date of the filing of recall charges under RCW
19 29A.56.120 and ending thirty days after the recall election.

20 (~~(42)~~) (45) "Remedial violation" means any violation of this
21 chapter that:

22 (a) Involved expenditures totaling no more than the contribution
23 limits set out under RCW 42.17A.405(2) per election, or one thousand
24 dollars if there is no statutory limit;

25 (b) Occurred:

26 (i) More than thirty days before an election, where the
27 commission entered into an agreement to resolve the matter; or

28 (ii) At any time where the violation did not constitute a
29 material violation because it was inadvertent and minor or otherwise
30 has been cured and, after consideration of all the circumstances,
31 further proceedings would not serve the purposes of this chapter;

32 (c) Does not materially affect the public interest, beyond the
33 harm to the policy of this chapter inherent in any violation; and

34 (d) Involved:

1 (i) A person who:

2 (A) Took corrective action within five business days after the
3 commission first notified the person of noncompliance, or where the
4 commission did not provide notice and filed a required report within
5 twenty-one days after the report was due to be filed; and

6 (B) Substantially met the filing deadline for all other required
7 reports within the immediately preceding twelve-month period; or

8 (ii) A candidate who:

9 (A) Lost the election in question; and

10 (B) Did not receive contributions over one hundred times the
11 contribution limit in aggregate per election during the campaign in
12 question.

13 (46)(a) "Sponsor" for purposes of an electioneering
14 communications, independent expenditures, or political advertising
15 means the person paying for the electioneering communication,
16 independent expenditure, or political advertising. If a person acts
17 as an agent for another or is reimbursed by another for the payment,
18 the original source of the payment is the sponsor.

19 (b) "Sponsor," for purposes of a political committee, means any
20 person, except an authorized committee, to whom any of the following
21 applies:

22 (i) The committee receives eighty percent or more of its
23 contributions either from the person or from the person's members,
24 officers, employees, or shareholders;

25 (ii) The person collects contributions for the committee by use
26 of payroll deductions or dues from its members, officers, or
27 employees.

28 ~~((43))~~ (47) "Sponsored committee" means a committee, other
29 than an authorized committee, that has one or more sponsors.

30 ~~((44))~~ (48) "State office" means state legislative office or
31 the office of governor, lieutenant governor, secretary of state,
32 attorney general, commissioner of public lands, insurance
33 commissioner, superintendent of public instruction, state auditor,
34 or state treasurer.

1 (~~(45)~~) (49) "State official" means a person who holds a state
2 office.

3 (~~(46)~~) (50) "Surplus funds" mean, in the case of a political
4 committee or candidate, the balance of contributions that remain in
5 the possession or control of that committee or candidate subsequent
6 to the election for which the contributions were received, and that
7 are in excess of the amount necessary to pay remaining debts
8 incurred by the committee or candidate with respect to that
9 election. In the case of a continuing political committee, "surplus
10 funds" mean those contributions remaining in the possession or
11 control of the committee that are in excess of the amount necessary
12 to pay all remaining debts when it makes its final report under RCW
13 42.17A.255.

14 (~~(47)~~) (51) "Treasurer" and "deputy treasurer" mean the
15 individuals appointed by a candidate or political committee,
16 pursuant to RCW 42.17A.210, to perform the duties specified in that
17 section.

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19 **Sec. 3.** RCW 42.17A.055 and 2013 c 166 s 2 are each amended to
20 read as follows:

21 (1) The commission shall make available to candidates, public
22 officials, and political committees that are required to file
23 reports under this chapter an electronic filing alternative for
24 submitting financial affairs reports, contribution reports, and
25 expenditure reports.

26 (2) The commission shall make available to lobbyists and
27 lobbyists' employers required to file reports under RCW 42.17A.600,
28 42.17A.615, 42.17A.625, or 42.17A.630 an electronic filing
29 alternative for submitting these reports.

30 (3) State agencies required to report under RCW 42.17A.635 must
31 file all reports electronically.

32 (4) The commission shall make available to candidates, public
33 officials, political committees, lobbyists, and lobbyists' employers
34 an electronic copy of the appropriate reporting forms at no charge.

1 (5) If the electronic filing system provided by the commission
2 is inoperable for any period of time, the commission must keep a
3 record of the date and time of each instance and post outages on its
4 web site. If a report is due on a day the electronic filing system
5 is inoperable, it is not late if filed the first business day the
6 system is back in operation. The commission must provide notice to
7 all reporting entities when the system is back in operation.

8 (6) All persons required to file reports under this section
9 shall, at the time of initial filing, provide the commission an
10 email address that shall constitute the official address for
11 purposes of all communications from the commission. The person
12 required to file one or more reports must provide any new email
13 address to the commission within ten days, if the address has
14 changed from that listed on the most recent report. The executive
15 director may waive the email requirement and allow use of a postal
16 address, on the basis of hardship.

17 (7) The commission must publish a calendar of significant
18 reporting dates on its web site.

19
20 **Sec. 4.** RCW 42.17A.110 and 2015 c 225 s 55 are each amended to
21 read as follows:

22 The commission may:

23 (1) Adopt, amend, and rescind suitable administrative rules to
24 carry out the policies and purposes of this chapter, which rules
25 shall be adopted under chapter 34.05 RCW. Any rule relating to
26 campaign finance, political advertising, or related forms that would
27 otherwise take effect after June 30th of a general election year
28 shall take effect no earlier than the day following the general
29 election in that year;

30 (2) Appoint an executive director and set, within the limits
31 established by the office of financial management under RCW
32 43.03.028, the executive director's compensation. The executive
33 director shall perform such duties and have such powers as the
34 commission may prescribe and delegate to implement and enforce this

1 chapter efficiently and effectively. The commission shall not
2 delegate its authority to adopt, amend, or rescind rules nor may it
3 delegate authority to determine (~~whether~~) that an actual violation
4 of this chapter has occurred or to assess penalties for such
5 violations;

6 (3) Prepare and publish reports and technical studies as in its
7 judgment will tend to promote the purposes of this chapter,
8 including reports and statistics concerning campaign financing,
9 lobbying, financial interests of elected officials, and enforcement
10 of this chapter;

11 (4) Conduct, as it deems appropriate, audits and field
12 investigations;

13 (5) Make public the time and date of any formal hearing set to
14 determine whether a violation has occurred, the question or
15 questions to be considered, and the results thereof;

16 (6) Administer oaths and affirmations, issue subpoenas, and
17 compel attendance, take evidence, and require the production of any
18 records relevant to any investigation authorized under this chapter,
19 or any other proceeding under this chapter;

20 (7) Adopt a code of fair campaign practices;

21 (8) Adopt rules relieving candidates or political committees of
22 obligations to comply with the election campaign provisions of this
23 chapter, if they have not received contributions nor made
24 expenditures in connection with any election campaign of more than
25 five thousand dollars; and

26 (~~(9) ((Adopt rules prescribing reasonable requirements for~~
27 ~~keeping accounts of, and reporting on a quarterly basis, costs~~
28 ~~incurred by state agencies, counties, cities, and other~~
29 ~~municipalities and political subdivisions in preparing, publishing,~~
30 ~~and distributing legislative information. For the purposes of this~~
31 ~~subsection, "legislative information" means books, pamphlets,~~
32 ~~reports, and other materials prepared, published, or distributed at~~
33 ~~substantial cost, a substantial purpose of which is to influence the~~
34 ~~passage or defeat of any legislation. The state auditor in his or~~

1 ~~her regular examination of each agency under chapter 43.09 RCW shall~~
2 ~~review the rules, accounts, and reports and make appropriate~~
3 ~~findings, comments, and recommendations concerning those agencies;~~
4 ~~and~~

5 ~~(10))~~ Develop and provide to filers a system for certification
6 of reports required under this chapter which are transmitted by
7 facsimile or electronically to the commission. Implementation of the
8 program is contingent on the availability of funds.

9
10 **Sec. 5.** RCW 42.17A.220 and 2010 c 205 s 3 and 2010 c 204 s 405
11 are each reenacted and amended to read as follows:

12 (1) All monetary contributions received by a candidate or
13 political committee shall be deposited by ~~((the treasurer or deputy~~
14 ~~treasurer))~~ candidates, political committee members, paid staff, or
15 treasurers in a depository in an account established and designated
16 for that purpose. Such deposits shall be made within five business
17 days of receipt of the contribution. For online or credit card
18 contributions, the contribution is considered received at the time
19 the transfer is made from the merchant account to a candidate or
20 political committee account, except that a contribution made to a
21 candidate who is a state official or legislator outside the
22 restriction period established in RCW 42.17A.560, but transferred to
23 the candidate's account within the restricted period, is considered
24 received outside of the restriction period.

25 (2) Political committees that support or oppose more than one
26 candidate or ballot proposition, or exist for more than one purpose,
27 may maintain multiple separate bank accounts within the same
28 designated depository for such purpose only if:

29 (a) Each such account bears the same name;

30 (b) Each such account is followed by an appropriate designation
31 that accurately identifies its separate purpose; and

32 (c) Transfers of funds that must be reported under RCW
33 ~~((42.17A.240(1)(e))~~ 42.17A.240(5) are not made from more than one
34 such account.

1 (3) Nothing in this section prohibits a candidate or political
2 committee from investing funds on hand in a depository in bonds,
3 certificates, or tax-exempt securities, or in savings accounts or
4 other similar instruments in financial institutions, or in mutual
5 funds other than the depository but only if:

6 (a) The commission (~~(are [is])~~) is notified in writing of the
7 initiation and the termination of the investment; and

8 (b) The principal of such investment, when terminated together
9 with all interest, dividends, and income derived from the
10 investment, is deposited in the depository in the account from which
11 the investment was made and properly reported to the commission
12 before any further disposition or expenditure.

13 (4) Accumulated unidentified contributions, other than those
14 made by persons whose names must be maintained on a separate and
15 private list by a political committee's treasurer pursuant to RCW
16 (~~(42.17A.240(1)(b))~~) 42.17A.240(2), in excess of one percent of the
17 total accumulated contributions received in the current calendar
18 year, or three hundred dollars, whichever is more, may not be
19 deposited, used, or expended, but shall be returned to the donor if
20 his or her identity can be ascertained. If the donor cannot be
21 ascertained, the contribution shall escheat to the state and shall
22 be paid to the state treasurer for deposit in the state general
23 fund.

24

25 **Sec. 6.** RCW 42.17A.225 and 2011 c 60 s 22 are each amended to
26 read as follows:

27 (1) In addition to the provisions of this section, a continuing
28 political committee shall file and report on the same conditions and
29 at the same times as any other committee in accordance with the
30 provisions of RCW 42.17A.205, 42.17A.210, and 42.17A.220.

31 (2) A continuing political committee shall file with the
32 commission a report on the tenth day of each month detailing
33 expenditures made and contributions received for the preceding
34 calendar month. This report need only be filed if either the total

1 contributions received or total expenditures made since the last
2 such report exceed two hundred dollars. The report shall be on a
3 form supplied by the commission and shall include the following
4 information:

5 (a) The information required by RCW 42.17A.240;

6 (b) Each expenditure made to retire previously accumulated debts
7 of the committee identified by recipient, amount, and date of
8 payments;

9 (c) Other information the commission shall prescribe by rule.

10 (3) If a continuing political committee makes a contribution in
11 support of or in opposition to a candidate or ballot proposition
12 within sixty days before the date that the candidate or ballot
13 proposition will be voted upon, the committee shall report pursuant
14 to RCW 42.17A.235.

15 (4)(a) A continuing political committee shall file reports as
16 required by this chapter until (~~it is dissolved~~) the committee has
17 ceased to function and intends to dissolve, at which time, when
18 there is no outstanding debt or obligation and the committee is
19 concluded in all respects, a final report shall be filed. Upon
20 submitting a final report, the continuing political committee must
21 file notice of intent to dissolve with the commission and the
22 commission must post the notice on its web site.

23 (b) The continuing political committee may dissolve sixty days
24 after it files its notice to dissolve, only if:

25 (i) The continuing political committee does not make any
26 expenditures other than those related to the dissolution process or
27 engage in any political activity or any other activities that
28 generate additional reporting requirements under this chapter after
29 filing such notice;

30 (ii) No complaint or court action, pursuant to this chapter, is
31 pending against the continuing political committee; and

32 (iii) All penalties assessed by the commission or court order
33 are paid by the continuing political committee.

34

1 (c) The continuing political committee must continue to report
2 regularly as required under this chapter until all the conditions
3 under (b) of this subsection are resolved.

4 (d) The treasurer may not close the continuing political
5 committee's bank account before the political committee has
6 dissolved.

7 (e) Upon dissolution, the commission must issue an
8 acknowledgment of dissolution, the duties of the treasurer shall
9 cease, and there shall be no further obligations (~~(to make any~~
10 ~~further reports))~~ under this chapter. Dissolution does not absolve
11 the candidate or board of the committee from responsibility for any
12 future obligations resulting from the finding after dissolution of a
13 violation committed prior to dissolution.

14 (5) The treasurer shall maintain books of account, current
15 within five business days, that accurately reflect all contributions
16 and expenditures. During the (~~(eight))~~ ten calendar days immediately
17 preceding the date of any election that the committee has received
18 any contributions or made any expenditures, the books of account
19 shall be kept current within one business day and shall be open for
20 public inspection in the same manner as provided for candidates and
21 other political committees in RCW 42.17A.235(~~(+4))~~) (6).

22 (6) All reports filed pursuant to this section shall be
23 certified as correct by the treasurer.

24 (7) The treasurer shall preserve books of account, bills,
25 receipts, and all other financial records of the campaign or
26 political committee for not less than five calendar years following
27 the year during which the transaction occurred.

28

29 **Sec. 7.** RCW 42.17A.235 and 2015 c 54 s 1 are each amended to
30 read as follows:

31 (1) In addition to the information required under RCW 42.17A.205
32 and 42.17A.210, (~~(on the day the treasurer is designated,))~~ each
33 candidate or political committee must file with the commission a
34 report of all contributions received and expenditures made (~~(prior~~

1 ~~to that date, if any~~) as a political committee on the next
2 reporting date pursuant to the timeline established in this section.

3 (2) Each treasurer shall file with the commission a report, for
4 each election in which a candidate or political committee is
5 participating, containing the information required by RCW 42.17A.240
6 at the following intervals:

7 (a) On the twenty-first day and the seventh day immediately
8 preceding the date on which the election is held; and

9 (b) On the tenth day of the first full month after the
10 election(~~;~~~~and~~).

11 (~~(c)~~) (3) Each treasurer shall file with the commission a
12 report on the tenth day of each month (~~in~~) during which (~~no other~~
13 reports are required to be filed under this section)) the candidate
14 or political committee is not participating in an election campaign,
15 only if the committee has received a contribution or made an
16 expenditure in the preceding calendar month and either the total
17 contributions received or total expenditures made since the last
18 such report exceed two hundred dollars.

19 (4) The report filed twenty-one days before the election shall
20 report all contributions received and expenditures made as of the
21 end of one business day before the date of the report. The report
22 filed seven days before the election shall report all contributions
23 received and expenditures made as of the end of one business day
24 before the date of the report. Reports filed on the tenth day of the
25 month shall report all contributions received and expenditures made
26 from the closing date of the last report filed through the last day
27 of the month preceding the date of the current report.

28 (~~(3)~~) (5) For the period beginning the first day of the fourth
29 month preceding the date of the special election, or for the period
30 beginning the first day of the fifth month before the date of the
31 general election, and ending on the date of that special or general
32 election, each Monday the treasurer shall file with the commission a
33 report of each bank deposit made during the previous seven calendar
34 days. The report shall contain the name of each person contributing

1 the funds and the amount contributed by each person. However,
2 persons who contribute no more than twenty-five dollars in the
3 aggregate are not required to be identified in the report. A copy of
4 the report shall be retained by the treasurer for his or her
5 records. In the event of deposits made by ~~((a deputy treasurer))~~
6 candidates, political committee members, or paid staff other than
7 the treasurer, the copy shall be ~~((forwarded))~~ immediately provided
8 to the treasurer for his or her records. Each report shall be
9 certified as correct by the treasurer ~~((or deputy treasurer making~~
10 ~~the deposit))~~.

11 ~~((4))~~ (6)(a) The treasurer or candidate shall maintain books
12 of account accurately reflecting all contributions and expenditures
13 on a current basis within five business days of receipt or
14 expenditure. During the ~~((eight))~~ ten calendar days immediately
15 preceding the date of the election the books of account shall be
16 kept current within one business day. As specified in the
17 committee's statement of organization filed under RCW 42.17A.205,
18 the books of account must be open for public inspection by
19 appointment at ~~((the designated))~~ a place agreed upon by both the
20 treasurer and the requestor, for inspections between ~~((8:00))~~ 9:00
21 a.m. and ~~((8:00))~~ 5:00 p.m. on any day from the ~~((eighth))~~ tenth
22 calendar day immediately before the election through the day
23 immediately before the election, other than Saturday, Sunday, or a
24 legal holiday. It is a violation of this chapter for a candidate or
25 political committee to refuse to allow and keep an appointment for
26 an inspection to be conducted during these authorized times and
27 days. The appointment must be allowed at an authorized time and day
28 for such inspections that is within ~~((twenty-four))~~ forty-eight
29 hours of the time and day that is requested for the inspection. The
30 treasurer may provide digital access or copies of the books of
31 account in lieu of scheduling an appointment at a designated place
32 for inspection.

33 (b) At the time of making the appointment, a person wishing to
34 inspect the books of account must provide the treasurer the name and

1 telephone number of the person wishing to inspect the books of
2 account. The person inspecting the books of account must show photo
3 identification before the inspection begins.

4 (c) A treasurer may refuse to show the books of account to any
5 person who does not make an appointment or provide the required
6 identification. The commission may issue limited rules to modify the
7 requirements set forth in this section in consideration of other
8 technology and best practices.

9 ~~((+5))~~ (7) Copies of all reports filed pursuant to this section
10 shall be readily available for public inspection by appointment,
11 pursuant to subsection ~~((+4))~~ (6) of this section ~~(, at the~~
12 ~~principal headquarters or, if there is no headquarters, at the~~
13 ~~address of the treasurer or such other place as may be authorized by~~
14 ~~the commission)).~~

15 ~~((+6))~~ (8) The treasurer or candidate shall preserve books of
16 account, bills, receipts, and all other financial records of the
17 campaign or political committee for not less than ~~((five))~~ two
18 calendar years following the year during which the transaction
19 occurred or for any longer period as otherwise required by law.

20 ~~((+7))~~ (9) All reports filed pursuant to subsection (1) or (2)
21 of this section shall be certified as correct by the candidate and
22 the treasurer.

23 ~~((+8))~~ (10) It is not a violation of this section to submit an
24 amended report within twenty-one days of filing an underlying report
25 if:

26 (a) The report is accurately amended;

27 (b) The corrected report is filed more than thirty days before
28 an election;

29 (c) The total aggregate dollar amount of the adjustment for the
30 individual report is within three times the contribution limit per
31 election or two hundred dollars, whichever is greater; and

32 (d) The committee reported all information that was available to
33 it at the time of filing, or made a good-faith effort to do so, or
34 if a refund of a contribution or expenditure is being reported.

1 (11)(a) When there is no outstanding debt or obligation, the
2 campaign fund is closed, ((and)) the campaign is concluded in all
3 respects ((or in the case of a political committee)), and the
4 committee has ceased to function and ((has dissolved)) intends to
5 dissolve, the treasurer shall file a final report. Upon submitting a
6 final report, the committee must file notice of intent to dissolve
7 with the commission and the commission must post the notice on its
8 web site.

9 (b) Any committee may dissolve sixty days after it files its
10 notice to dissolve, only if:

11 (i) The political committee does not make any expenditures other
12 than those related to the dissolution process or engage in any
13 political activity or any other activities that generate additional
14 reporting requirements under this chapter after filing such notice;

15 (ii) No complaint or court action under this chapter is pending
16 against the political committee; and

17 (iii) All penalties assessed by the commission or court order
18 are paid by the political committee.

19 (c) The political committee must continue to report regularly as
20 required under this chapter until all the conditions under (b) of
21 this subsection are resolved.

22 (d) The treasurer may not close the political committee's bank
23 account before the political committee has dissolved.

24 (e) Upon dissolution, the commission must issue an
25 acknowledgment of dissolution, the duties of the treasurer shall
26 cease, and there ((is)) shall be no further obligations ((to make
27 any further reports)) under this chapter. Dissolution does not
28 absolve the candidate or board of the committee from responsibility
29 for any future obligations resulting from the finding after
30 dissolution of a violation committed prior to dissolution.

31
32 **Sec. 8.** RCW 42.17A.240 and 2010 c 204 s 409 are each amended to
33 read as follows:
34

1 Each report required under RCW 42.17A.235 (1) and (2) must be
2 certified as correct by the treasurer and the candidate and shall
3 disclose the following:

4 (1) The funds on hand at the beginning of the period;

5 (2) The name and address of each person who has made one or more
6 contributions during the period, together with the money value and
7 date of each contribution and the aggregate value of all
8 contributions received from each person during the campaign, or in
9 the case of a continuing political committee, the current calendar
10 year, with the following exceptions:

11 ~~((Pledges in the aggregate of less than one hundred dollars
12 from any one person need not be reported;~~

13 ~~(b))~~ Income that results from a fund-raising activity conducted
14 in accordance with RCW 42.17A.230 may be reported as one lump sum,
15 with the exception of that portion received from persons whose names
16 and addresses are required to be included in the report required by
17 RCW 42.17A.230;

18 ~~((e))~~ (b) Contributions of no more than twenty-five dollars in
19 the aggregate from any one person during the election campaign may
20 be reported as one lump sum if the treasurer maintains a separate
21 and private list of the name, address, and amount of each such
22 contributor; and

23 ~~((d))~~ (c) The money value of contributions of postage shall be
24 the face value of the postage;

25 (3) Each loan, promissory note, or security instrument to be
26 used by or for the benefit of the candidate or political committee
27 made by any person, including the names and addresses of the lender
28 and each person liable directly, indirectly or contingently and the
29 date and amount of each such loan, promissory note, or security
30 instrument;

31 (4) All other contributions not otherwise listed or exempted;

32 (5) The name and address of each candidate or political
33 committee to which any transfer of funds was made, including the
34 amounts and dates of the transfers;

1 (6) The name and address of each person to whom an expenditure
2 was made in the aggregate amount of more than fifty dollars during
3 the period covered by this report, the amount, date, and purpose of
4 each expenditure, and the total sum of all expenditures;

5 (7) The name and address of each person directly compensated for
6 soliciting or procuring signatures on an initiative or referendum
7 petition, the amount of the compensation to each person, and the
8 total expenditures made for this purpose. Such expenditures shall be
9 reported under this subsection in addition to what is required to be
10 reported under subsection (6) of this section;

11 (8)(a) The name and address of any person and the amount owed
12 for any debt (~~(, obligation, note, unpaid loan, or other liability in~~
13 ~~the amount~~) with a value of more than (~~two~~) seven hundred fifty
14 dollars (~~(or in the amount of more than fifty dollars that has been~~
15 ~~outstanding for over thirty days)~~ that has not been paid for any
16 invoices submitted, goods received, or services performed, within
17 five business days during the period within thirty days before an
18 election, or within ten business days during any other period.

19 (b) For purposes of this subsection, debt does not include:

20 (i) Regularly recurring expenditures of the same amount that
21 have already been reported at least once and that are not late or
22 outstanding; or

23 (ii) Any obligations already reported to pay for goods and
24 services made by a third party on behalf of a candidate or political
25 committee after the original payment or debt to that party has been
26 reported;

27 (9) The surplus or deficit of contributions over expenditures;

28 (10) The disposition made in accordance with RCW 42.17A.430 of
29 any surplus funds; and

30 (11) Any other information required by the commission by rule in
31 conformance with the policies and purposes of this chapter.

32

33 **Sec. 9.** RCW 42.17A.255 and 2011 c 60 s 24 are each amended to
34 read as follows:

1 (1) (~~For the purposes of this section the term "independent~~
2 ~~expenditure" means any expenditure that is made in support of or in~~
3 ~~opposition to any candidate or ballot proposition and is not~~
4 ~~otherwise required to be reported pursuant to RCW 42.17A.220,~~
5 ~~42.17A.235, and 42.17A.240. "Independent expenditure" does not~~
6 ~~include: An internal political communication primarily limited to~~
7 ~~the contributors to a political party organization or political~~
8 ~~action committee, or the officers, management staff, and~~
9 ~~stockholders of a corporation or similar enterprise, or the members~~
10 ~~of a labor organization or other membership organization; or the~~
11 ~~rendering of personal services of the sort commonly performed by~~
12 ~~volunteer campaign workers, or incidental expenses personally~~
13 ~~incurred by volunteer campaign workers not in excess of fifty~~
14 ~~dollars personally paid for by the worker. "Volunteer services," for~~
15 ~~the purposes of this section, means services or labor for which the~~
16 ~~individual is not compensated by any person.~~

17 (2)) Within five days after the date of making an independent
18 expenditure that by itself or when added to all other such
19 independent expenditures made during the same election campaign by
20 the same person equals (~~one hundred dollars or more~~) the
21 contribution limit from an individual per election found in RCW
22 42.17A.405 for that office, or within five days after the date of
23 making an independent expenditure for which no reasonable estimate
24 of monetary value is practicable, whichever occurs first, the person
25 who made the independent expenditure shall file with the commission
26 an initial report of all independent expenditures made during the
27 campaign prior to and including such date. For purposes of this
28 section, in addition to the meaning of "independent expenditure"
29 under RCW 42.17A.005, any expenditure in excess of one-half the
30 contribution limit per election for a local measure or in excess of
31 the contribution limit per election for a statewide measure in
32 support of or opposition to a ballot measure, must be reported as an
33 in-kind contribution to a political committee associated with

34

1 support or opposition to that ballot measure or, in the event no
2 such committee exists, reported as an independent expenditure.

3 ~~((+3))~~ (2) At the following intervals each person who is
4 required to file an initial report pursuant to subsection ~~((+2))~~
5 (1) of this section shall file with the commission a further report
6 of the independent expenditures made since the date of the last
7 report:

8 (a) On the twenty-first day and the seventh day preceding the
9 date on which the election is held; and

10 (b) On the tenth day of the first month after the election; and

11 (c) On the tenth day of each month in which no other reports are
12 required to be filed pursuant to this section. However, the further
13 reports required by this subsection ~~((+3))~~ (2) shall only be filed
14 if the reporting person has made an independent expenditure since
15 the date of the last previous report filed.

16 ~~((The report filed pursuant to paragraph (a) of this subsection~~
17 ~~(3) shall be the final report, and upon submitting such final report~~
18 ~~the duties of the reporting person shall cease, and))~~ If the
19 reporting person has not made any independent expenditures since the
20 date of the last report on file, there shall be no obligation to
21 make any further reports.

22 ~~((+4))~~ (3) All reports filed pursuant to this section shall be
23 certified as correct by the reporting person.

24 ~~((+5))~~ (4) Each report required by subsections ~~((+2))~~ (1) and
25 ~~((+3))~~ (2) of this section shall disclose for the period beginning
26 at the end of the period for the last previous report filed or, in
27 the case of an initial report, beginning at the time of the first
28 independent expenditure, and ending not more than one business day
29 before the date the report is due:

30 (a) The name and address of the person filing the report;

31 (b) The name and address of each person to whom an independent
32 expenditure was made in the aggregate amount of more than fifty
33 dollars, and the amount, date, and purpose of each such expenditure.
34 If no reasonable estimate of the monetary value of a particular

1 independent expenditure is practicable, it is sufficient to report
2 instead a precise description of services, property, or rights
3 furnished through the expenditure and where appropriate to attach a
4 copy of the item produced or distributed by the expenditure;

5 (c) The total sum of all independent expenditures made during
6 the campaign to date; and

7 (d) Such other information as shall be required by the
8 commission by rule in conformance with the policies and purposes of
9 this chapter.

10

11 **Sec. 10.** RCW 42.17A.265 and 2010 c 204 s 414 are each amended
12 to read as follows:

13 (1) Treasurers shall prepare and deliver to the commission a
14 special report when a contribution or aggregate of contributions
15 (~~((totals one thousand dollars or more, is))~~) exceeds three times the
16 contribution limit per election from a single person or entity, and
17 is received during a special reporting period.

18 (2) A political committee treasurer shall prepare and deliver to
19 the commission a special report when (~~((it))~~) the political committee
20 makes a contribution or an aggregate of contributions to a single
21 entity that (~~((totals one thousand dollars or more))~~) exceeds three
22 times the contribution limit from an individual per election during
23 a special reporting period.

24 (3) An aggregate of contributions includes only those
25 contributions made to or received from a single entity during any
26 one special reporting period. Any subsequent contribution of any
27 size made to or received from the same person or entity during the
28 special reporting period must also be reported.

29 (4) Special reporting periods, for purposes of this section,
30 include:

31 (a) The period beginning on the day after the last report
32 required by RCW 42.17A.235 and 42.17A.240 to be filed before a
33 primary and concluding on the end of the day before that primary;

34 (b) The period twenty-one days preceding a general election; and

1 (c) An aggregate of contributions includes only those
2 contributions received from a single entity during any one special
3 reporting period or made by the contributing political committee to
4 a single entity during any one special reporting period.

5 (5) If a campaign treasurer files a special report under this
6 section for one or more contributions received from a single entity
7 during a special reporting period, the treasurer shall also file a
8 special report under this section for each subsequent contribution
9 of any size which is received from that entity during the special
10 reporting period. If a political committee files a special report
11 under this section for a contribution or contributions made to a
12 single entity during a special reporting period, the political
13 committee shall also file a special report for each subsequent
14 contribution of any size which is made to that entity during the
15 special reporting period.

16 (6) Special reports required by this section shall be delivered
17 electronically or in written form(~~(, including but not limited to~~
18 ~~mailgram, telegram, or night letter)~~). The special report may be
19 transmitted orally by telephone to the commission if the written
20 form of the report is postmarked and mailed to the commission or the
21 electronic filing is transferred to the commission within the
22 delivery periods established in (a) and (b) of this subsection.

23 (a) The special report required of a contribution recipient
24 under subsection (1) of this section shall be delivered to the
25 commission within forty-eight hours of the time, or on the first
26 working day after: The qualifying contribution (~~(of one thousand~~
27 ~~dollars or more)~~) amount is received by the candidate or treasurer;
28 the aggregate received by the candidate or treasurer first equals
29 (~~(one thousand dollars)~~) the qualifying amount or more; or any
30 subsequent contribution from the same source is received by the
31 candidate or treasurer.

32 (b) The special report required of a contributor under
33 subsection (2) of this section or RCW 42.17A.625 shall be delivered
34 to the commission, and the candidate or political committee to whom

1 the contribution or contributions are made, within twenty-four hours
2 of the time, or on the first working day after: The contribution is
3 made; the aggregate of contributions made first equals (~~one~~
4 ~~thousand dollars~~) the qualifying amount or more; or any subsequent
5 contribution to the same person or entity is made.

6 (7) The special report shall include:

7 (a) The amount of the contribution or contributions;

8 (b) The date or dates of receipt;

9 (c) The name and address of the donor;

10 (d) The name and address of the recipient; and

11 (e) Any other information the commission may by rule require.

12 (8) Contributions reported under this section shall also be
13 reported as required by other provisions of this chapter.

14 (9) The commission shall (~~prepare daily a summary of~~) make the
15 special reports made under this section and RCW 42.17A.625 available
16 on its web site within one business day.

17 (10) Contributions governed by this section include, but are not
18 limited to, contributions made or received indirectly through a
19 third party or entity whether the contributions are or are not
20 reported to the commission as earmarked contributions under RCW
21 42.17A.270.

22

23 **Sec. 11.** RCW 42.17A.450 and 1993 c 2 s 5 are each amended to
24 read as follows:

25 (1) Contributions by (~~a husband and wife~~) spouses are
26 considered separate contributions.

27 (2) Contributions by unemancipated children under eighteen years
28 of age are considered contributions by their parents and are
29 attributed proportionately to each parent. Fifty percent of the
30 contributions are attributed to each parent or, in the case of a
31 single custodial parent, the total amount is attributed to the
32 parent.

33

34

1 **Sec. 12.** RCW 42.17A.750 and 2013 c 166 s 1 are each amended to
2 read as follows:

3 (1) In addition to the penalties in subsection (2) of this
4 section, and any other remedies provided by law, one or more of the
5 following civil remedies and sanctions may be imposed by court order
6 in addition to any other remedies provided by law:

7 (a) If the court finds that the violation of any provision of
8 this chapter by any candidate or political committee probably
9 affected the outcome of any election, the result of that election
10 may be held void and a special election held within sixty days of
11 the finding. Any action to void an election shall be commenced
12 within one year of the date of the election in question. It is
13 intended that this remedy be imposed freely in all appropriate cases
14 to protect the right of the electorate to an informed and
15 knowledgeable vote.

16 (b) If any lobbyist or sponsor of any grass roots lobbying
17 campaign violates any of the provisions of this chapter, his or her
18 registration may be revoked or suspended and he or she may be
19 enjoined from receiving compensation or making expenditures for
20 lobbying. The imposition of a sanction shall not excuse the lobbyist
21 from filing statements and reports required by this chapter.

22 (c) A person who violates any of the provisions of this chapter
23 may be subject to a civil penalty of not more than ten thousand
24 dollars for each violation. However, a person or entity who violates
25 RCW 42.17A.405 may be subject to a civil penalty of ten thousand
26 dollars or three times the amount of the contribution illegally made
27 or accepted, whichever is greater.

28 (d) When assessing a civil penalty, the court may consider the
29 nature of the violation and any relevant circumstances, including
30 the following factors:

31 (i) The respondent's compliance history, including whether the
32 noncompliance was isolated or limited in nature, indicative of
33 systematic or ongoing problems, or part of a pattern of violations
34 by the respondent, resulted from a knowing or intentional effort to

1 conceal, deceive or mislead, or from collusive behavior, or in the
2 case of a political committee or other entity, part of a pattern of
3 violations by the respondent's officers, staff, principal decision
4 makers, consultants, or sponsoring organization;

5 (ii) The impact on the public, including whether the
6 noncompliance deprived the public of timely or accurate information
7 during a time-sensitive period or otherwise had a significant or
8 material impact on the public;

9 (iii) Experience with campaign finance law and procedures or the
10 financing, staffing, or size of the respondent's campaign or
11 organization;

12 (iv) The amount of financial activity by the respondent during
13 the statement period or election cycle;

14 (v) Whether the late or unreported activity was within three
15 times the contribution limit per election, including in proportion
16 to the total amount of expenditures by the respondent in the
17 campaign or statement period;

18 (vi) Whether the respondent or any person benefited politically
19 or economically from the noncompliance;

20 (vii) Whether there was a personal emergency or illness of the
21 respondent or member of his or her immediate family;

22 (viii) Whether other emergencies such as fire, flood, or utility
23 failure prevented filing;

24 (ix) Whether there was commission staff or equipment error,
25 including technical problems at the commission that prevented or
26 delayed electronic filing;

27 (x) The respondent's demonstrated good-faith uncertainty
28 concerning commission staff guidance or instructions;

29 (xi) Whether the respondent is a first-time filer;

30 (xii) Good faith efforts to comply, including consultation with
31 commission staff prior to initiation of enforcement action and
32 cooperation with commission staff during enforcement action and a
33 demonstrated wish to acknowledge and take responsibility for the
34 violation;

1 (xiii) Penalties imposed in factually similar cases; and
2 (xiv) Other factors relevant to the particular case.

3 (e) A person who fails to file a properly completed statement or
4 report within the time required by this chapter may be subject to a
5 civil penalty of ten dollars per day for each day each delinquency
6 continues.

7 ~~((+e+))~~ (f) Each state agency director who knowingly fails to
8 file statements required by RCW 42.17A.635 shall be subject to
9 personal liability in the form of a civil penalty in the amount of
10 one hundred dollars per statement. These penalties are in addition
11 to any other civil remedies or sanctions imposed on the agency.

12 ~~((+f+))~~ (g) A person who fails to report a contribution or
13 expenditure as required by this chapter may be subject to a civil
14 penalty equivalent to the amount not reported as required.

15 ~~((+g+))~~ (h) Any state agency official, officer, or employee who
16 is responsible for or knowingly directs or expends public funds in
17 violation of RCW 42.17A.635 (2) or (3) may be subject to personal
18 liability in the form of a civil penalty in an amount that is at
19 least equivalent to the amount of public funds expended in the
20 violation.

21 ~~((+h+))~~ (i) The court may enjoin any person to prevent the doing
22 of any act herein prohibited, or to compel the performance of any
23 act required herein.

24 (2) The commission may refer the following violations for
25 criminal prosecution:

26 (a) A person who, with actual malice, violates a provision of
27 this chapter is guilty of a misdemeanor under chapter 9.92 RCW;

28 (b) A person who, within a five-year period, with actual malice,
29 violates three or more provisions of this chapter is guilty of a
30 gross misdemeanor under chapter 9.92 RCW; and

31 (c) A person who, with actual malice, procures or offers any
32 false or forged document to be filed, registered, or recorded with
33 the commission under this chapter is guilty of a class C felony
34 under chapter 9.94A RCW.

1 **Sec. 13.** RCW 42.17A.755 and 2011 c 145 s 7 are each amended to
2 read as follows:

3 (1) The commission may (~~((a) determine whether an actual~~
4 ~~violation of this chapter has occurred; and (b) issue and enforce an~~
5 ~~appropriate order following such a determination.)) initiate or
6 respond to a complaint, request a technical correction, or otherwise
7 resolve matters of compliance with this chapter, in accordance with
8 this section. If a complaint is filed with or initiated by the
9 commission, the commission must:~~

10 (a) Dismiss the complaint or otherwise resolve the matter in
11 accordance with subsection (2) of this section, as appropriate under
12 the circumstances after conducting a preliminary review;

13 (b) Initiate an investigation to determine whether an actual
14 violation has occurred, conduct hearings, and issue and enforce an
15 appropriate order, in accordance with chapter 34.05 RCW and
16 subsection (3) of this section; or

17 (c) Refer the matter to the attorney general, in accordance with
18 subsection (4) of this section.

19 (2) (~~The commission~~) (a) For complaints of remedial violations
20 or requests for technical corrections, the commission may, by rule,
21 delegate authority to its executive director to resolve these
22 matters in accordance with subsection (1)(a) of this section,
23 provided the executive director consistently applies such authority.

24 (b) The commission shall, by rule, develop additional processes
25 by which a respondent may agree by stipulation to any allegations
26 and pay a penalty subject to a schedule of violations and penalties,
27 unless waived by the commission as provided for in this section. Any
28 stipulation must be referred to the commission for review. If
29 approved or modified by the commission, agreed to by the parties,
30 and the respondent complies with all requirements set forth in the
31 stipulation, the matter is then considered resolved and no further
32 action or review is allowed.

33 (3) If the commission initiates an investigation, an initial
34 hearing must be held within ninety days of the complaint being

1 filed. Following an investigation, in cases where it chooses to
2 determine whether an actual violation has occurred, the commission
3 shall hold a hearing pursuant to the administrative procedure act,
4 chapter 34.05 RCW(~~(, to make a determination)~~). Any order that the
5 commission issues under this section shall be pursuant to such a
6 hearing.

7 ~~((3) In lieu of holding a hearing or issuing an order under~~
8 ~~this section,))~~ (a) The person against whom an order is directed
9 under this section shall be designated as the respondent. The order
10 may require the respondent to cease and desist from the activity
11 that constitutes a violation and in addition, or alternatively, may
12 impose one or more of the remedies provided in RCW 42.17A.750(1) (b)
13 through (h), or other requirements as the commission determines
14 appropriate to effectuate the purposes of this chapter.

15 (b) The commission may assess a penalty in an amount not to
16 exceed ten thousand dollars per violation, unless the parties
17 stipulate otherwise. Any order that the commission issues under this
18 section that imposes a financial penalty must be made pursuant to a
19 hearing, held in accordance with the administrative procedure act,
20 chapter 34.05 RCW.

21 (c) The commission has the authority to waive a penalty for a
22 first-time actual violation. A second actual violation of the same
23 requirement by the same person, regardless if the person or
24 individual committed the actual violation for a different political
25 committee, shall result in a penalty. Successive actual violations
26 of the same requirement shall result in successively increased
27 penalties. The commission may suspend any portion of an assessed
28 penalty contingent on future compliance with this chapter. The
29 commission must create a schedule to enhance penalties based on
30 repeat actual violations by the person.

31 (d) Any order issued by the commission is subject to judicial
32 review under the administrative procedure act, chapter 34.05 RCW. If
33 the commission's order is not satisfied and no petition for review
34 is filed within thirty days, the commission may petition a court of

1 competent jurisdiction of any county in which a petition for review
2 could be filed under that jurisdiction, for an order of enforcement.
3 Proceedings in connection with the commission's petition shall be in
4 accordance with RCW 42.17A.760.

5 (4) In lieu of holding a hearing or issuing an order under this
6 section, the commission may refer the matter to the attorney general
7 ((or other enforcement agency as provided in RCW 42.17A.105))
8 consistent with this section, when the commission believes:

9 (a) Additional authority is needed to ensure full compliance
10 with this chapter;

11 (b) An actual violation potentially warrants a penalty greater
12 than the commission's penalty authority; or

13 (c) The maximum penalty the commission is able to levy is not
14 enough to address the severity of the violation.

15 ~~((4) The person against whom an order is directed under this~~
16 ~~section shall be designated as the respondent. The order may require~~
17 ~~the respondent to cease and desist from the activity that~~
18 ~~constitutes a violation and in addition, or alternatively, may~~
19 ~~impose one or more of the remedies provided in RCW 42.17A.750(1) (b)~~
20 ~~through (c). The commission may assess a penalty in an amount not to~~
21 ~~exceed ten thousand dollars.~~

22 ~~(5) The commission has the authority to waive a fine for a~~
23 ~~first-time violation. A second violation of the same rule by the~~
24 ~~same person or individual, regardless if the person or individual~~
25 ~~committed the violation for a different political committee, shall~~
26 ~~result in a fine. Succeeding violations of the same rule shall~~
27 ~~result in successively increased fines.~~

28 ~~(6) An order issued by the commission under this section shall~~
29 ~~be subject to judicial review under the administrative procedure~~
30 ~~act, chapter 34.05 RCW. If the commission's order is not satisfied~~
31 ~~and no petition for review is filed within thirty days, the~~
32 ~~commission may petition a court of competent jurisdiction of any~~
33 ~~county in which a petition for review could be filed under that~~
34 ~~section, for an order of enforcement. Proceedings in connection with~~

1 ~~the commission's petition shall be in accordance with RCW~~
2 ~~42.17A.760.)~~)

3
4 **Sec. 14.** RCW 42.17A.765 and 2010 c 204 s 1004 are each amended
5 to read as follows:

6 (1)(a) Only after a matter is referred by the commission, under
7 RCW 42.17A.755, the attorney general ((and the prosecuting
8 authorities of political subdivisions of this state)) may bring
9 civil actions in the name of the state for any appropriate civil
10 remedy, including but not limited to the special remedies provided
11 in RCW 42.17A.750. The attorney general must provide notice of his
12 or her decision whether to commence an action on the attorney
13 general's office web site within forty-five days of receiving the
14 referral, which constitutes state action for purposes of this
15 chapter.

16 (b) The attorney general should use the enforcement powers in
17 this section in a consistent manner that provides guidance in
18 complying with the provisions of this chapter to candidates,
19 political committees, or other individuals subject to the
20 regulations of this chapter.

21 (2) The attorney general ((~~and the prosecuting authorities of~~
22 ~~political subdivisions of this state~~)) may investigate or cause to
23 be investigated the activities of any person who there is reason to
24 believe is or has been acting in violation of this chapter, and may
25 require any such person or any other person reasonably believed to
26 have information concerning the activities of such person to appear
27 at a time and place designated in the county in which such person
28 resides or is found, to give such information under oath and to
29 produce all accounts, bills, receipts, books, paper and documents
30 which may be relevant or material to any investigation authorized
31 under this chapter.

32 (3) When the attorney general ((~~or the prosecuting authority of~~
33 ~~any political subdivision of this state~~)) requires the attendance of
34 any person to obtain such information or produce the accounts,

1 bills, receipts, books, papers, and documents that may be relevant
2 or material to any investigation authorized under this chapter, he
3 or she shall issue an order setting forth the time when and the
4 place where attendance is required and shall cause the same to be
5 delivered to or sent by registered mail to the person at least
6 fourteen days before the date fixed for attendance. The order shall
7 have the same force and effect as a subpoena, shall be effective
8 statewide, and, upon application of the attorney general (~~or the~~
9 ~~prosecuting authority~~), obedience to the order may be enforced by
10 any superior court judge in the county where the person receiving it
11 resides or is found, in the same manner as though the order were a
12 subpoena. The court, after hearing, for good cause, and upon
13 application of any person aggrieved by the order, shall have the
14 right to alter, amend, revise, suspend, or postpone all or any part
15 of its provisions. In any case where the order is not enforced by
16 the court according to its terms, the reasons for the court's
17 actions shall be clearly stated in writing, and the action shall be
18 subject to review by the appellate courts by certiorari or other
19 appropriate proceeding.

20 ~~((4) A person who has notified the attorney general and the~~
21 ~~prosecuting attorney in the county in which the violation occurred~~
22 ~~in writing that there is reason to believe that some provision of~~
23 ~~this chapter is being or has been violated may himself or herself~~
24 ~~bring in the name of the state any of the actions (hereinafter~~
25 ~~referred to as a citizen's action) authorized under this chapter.~~

26 ~~(a) This citizen action may be brought only if:~~

27 ~~(i) The attorney general and the prosecuting attorney have~~
28 ~~failed to commence an action hereunder within forty-five days after~~
29 ~~the notice;~~

30 ~~(ii) The person has thereafter further notified the attorney~~
31 ~~general and prosecuting attorney that the person will commence a~~
32 ~~citizen's action within ten days upon their failure to do so;~~

33

34

1 ~~(iii) The attorney general and the prosecuting attorney have in~~
2 ~~fact failed to bring such action within ten days of receipt of said~~
3 ~~second notice; and~~

4 ~~(iv) The citizen's action is filed within two years after the~~
5 ~~date when the alleged violation occurred.~~

6 ~~(b) If the person who brings the citizen's action prevails, the~~
7 ~~judgment awarded shall escheat to the state, but he or she shall be~~
8 ~~entitled to be reimbursed by the state of Washington for costs and~~
9 ~~attorneys' fees he or she has incurred. In the case of a citizen's~~
10 ~~action that is dismissed and that the court also finds was brought~~
11 ~~without reasonable cause, the court may order the person commencing~~
12 ~~the action to pay all costs of trial and reasonable attorneys' fees~~
13 ~~incurred by the defendant.~~

14 ~~(5) In any action brought under this section, the court may~~
15 ~~award to the state all costs of investigation and trial, including~~
16 ~~reasonable attorneys' fees to be fixed by the court. If the~~
17 ~~violation is found to have been intentional, the amount of the~~
18 ~~judgment, which shall for this purpose include the costs, may be~~
19 ~~trebled as punitive damages. If damages or trebled damages are~~
20 ~~awarded in such an action brought against a lobbyist, the judgment~~
21 ~~may be awarded against the lobbyist, and the lobbyist's employer or~~
22 ~~employers joined as defendants, jointly, severally, or both. If the~~
23 ~~defendant prevails, he or she shall be awarded all costs of trial,~~
24 ~~and may be awarded reasonable attorneys' fees to be fixed by the~~
25 ~~court to be paid by the state of Washington.))~~

26

27 NEW SECTION. **Sec. 15.** A new section is added to chapter 42.17A
28 RCW to read as follows:

29 (1) A person who has reason to believe that a provision of this
30 chapter is being or has been violated may bring a citizen's action
31 in the name of the state, in accordance with the procedures of this
32 section.

33 (2) A citizen's action may be brought and prosecuted only if the
34 person first has filed a complaint with the commission and:

1 (a) The commission has not taken action authorized under RCW
2 42.17A.755(1) within ninety days of the complaint being filed with
3 the commission; and

4 (b) For matters referred to the attorney general within ninety
5 days of the commission receiving the complaint, the attorney general
6 has not commenced an action within forty-five days of receiving
7 referral from the commission.

8 (3) To initiate the citizen's action, after meeting the
9 requirements under subsection (2) of this section, a person must
10 notify the attorney general and the commission that he or she will
11 commence a citizen's action within ten days if the commission does
12 not take action or, if applicable, the attorney general does not
13 commence an action .

14 (4) The citizen's action must be commenced within two years
15 after the date when the alleged violation occurred and may not be
16 commenced against a committee before the end of such period if the
17 committee has received an acknowledgment of dissolution.

18 (5) If the person who brings the citizen's action prevails, the
19 judgment awarded shall escheat to the state, but he or she shall be
20 entitled to be reimbursed by the state for reasonable costs and
21 reasonable attorneys' fees the person incurred. In the case of a
22 citizen's action that is dismissed and that the court also finds was
23 brought without reasonable cause, the court may order the person
24 commencing the action to pay all trial costs and reasonable
25 attorneys' fees incurred by the defendant.

26
27 NEW SECTION. **Sec. 16.** A new section is added to chapter 42.17A
28 RCW to read as follows:

29 In any action brought under this chapter, the court may award to
30 the commission all reasonable costs of investigation and trial,
31 including reasonable attorneys' fees to be fixed by the court. If
32 the violation is found to have been intentional, the amount of the
33 judgment, which shall for this purpose include the costs, may be
34 trebled as punitive damages. If damages or trebled damages are

1 awarded in such an action brought against a lobbyist, the judgment
2 may be awarded against the lobbyist, and the lobbyist's employer or
3 employers joined as defendants, jointly, severally, or both. If the
4 defendant prevails, he or she shall be awarded all costs of trial
5 and may be awarded reasonable attorneys' fees to be fixed by the
6 court and paid by the state of Washington.

7

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

10 The public disclosure transparency account is created in the
11 state treasury. All receipts from penalties collected pursuant to
12 enforcement actions or settlements under this chapter, including any
13 fees or costs, must be deposited into the account. Moneys in the
14 account may be spent only after appropriation. Moneys in the account
15 may be used only for the implementation of this act and duties under
16 this chapter, and may not be used to supplant general fund
17 appropriations to the commission.

18

19 NEW SECTION. **Sec. 18.** (1) The sum of one hundred twenty-five
20 thousand dollars is appropriated for the fiscal year ending June 30,
21 2018, from the general fund—state account to the public disclosure
22 commission solely for the purposes of administering chapter 42.17A
23 RCW.

24 (2) The sum of one hundred twenty-five thousand dollars is
25 appropriated for the fiscal year ending June 30, 2019, from the
26 general fund—state account to the public disclosure commission
27 solely for the purposes of administering chapter 42.17A RCW.

28

29 NEW SECTION. **Sec. 19.** If any provision of this act or its
30 application to any person or circumstance is held invalid, the
31 remainder of the act or the application of the provision to other
32 persons or circumstances is not affected.

33

34

EFFECT: (1) Clarifies definition of "remedial violation."

(2) Allows courts to apply factors used to determine scope of penalty to all campaign finance violations.

(3) Removes the requirement that a PDC staff finding that a matter resolved as a technical correction or remedial violation must be approved by the full commission.

(4) Requires that the Attorney General provide a statement on the Attorney General Office's web site within 45 days of receiving a referral from the PDC, regarding whether the office will commence an action and clarifies that the statement constitutes official state action.

(5) Removes requirement that the Attorney General Office's statement regarding whether it will commence an action in response to a referral be reasonably supported.

(6) Requires that all settlements of campaign finance enforcement actions be deposited in the public disclosure transparency account.

(7) Indexes the definition of "independent expenditure" to half the contribution limit from an individual in the race.

(8) Clarifies that the public disclosure transparency account is appropriated, and requires fees and costs, if awarded, to be deposited in the account.

(9) Removes requirement that administrative remedies be exhausted before the PDC refers a complaint to the Attorney General.

(10) Allows committees to make expenditures related to the dissolution process after notice of dissolution is filed.

(11) Clarifies that dissolution does not exempt committees from responsibility for actions taken prior to dissolution, but filed after dissolution, if within the statute of limitations.

--- END ---