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HOUSE BILL 1834

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State of Washington

65th Legislature

2017 Regular Session

By Representatives Dolan, Jenkins, Doglio, and Ortiz-Self; by request of Public Disclosure Commission

Read first time 01/31/17. Referred to Committee on State Govt, Elections & IT.

1 AN ACT Relating to campaign finance reporting; amending RCW  
2 42.17A.235, 42.17A.255, 42.17A.265, and 42.17A.625; and repealing RCW  
3 42.17A.250 and 42.17A.420.

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

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

7 (1) In addition to the information required under RCW 42.17A.205  
8 and 42.17A.210, on the day the treasurer is designated, each  
9 candidate or political committee must file with the commission a  
10 report of all contributions received and expenditures made prior to  
11 that date, if any.

12 (2) Each treasurer shall file with the commission a report  
13 containing the information required by RCW 42.17A.240 (~~at the~~  
14 ~~following intervals:~~

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

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

18 ~~(c)) on the tenth day of each month ((in which no other reports~~  
19 ~~are required to be filed under this section only if the committee has~~  
20 ~~received a contribution or made an expenditure in the preceding~~  
21 ~~calendar month and either the total contributions received or total~~

1 ~~expenditures made since the last such report exceed two hundred~~  
2 ~~dollars.~~

3 ~~The report filed twenty one days before the election shall report~~  
4 ~~all contributions received and expenditures made as of the end of one~~  
5 ~~business day before the date of the report. The report filed seven~~  
6 ~~days before the election shall report all contributions received and~~  
7 ~~expenditures made as of the end of one business day before the date~~  
8 ~~of the report)).~~ Reports filed on the tenth day of the month shall  
9 report all contributions received and expenditures made from the  
10 closing date of the last report filed through the last day of the  
11 month preceding the date of the current report.

12 (3) For the period beginning the first day of the fourth month  
13 preceding the date of the special election, or for the period  
14 beginning the first day of the fifth month before the date of the  
15 general election, and ending on the date of that special or general  
16 election, each Monday the treasurer shall file with the commission a  
17 report of each bank deposit made during the previous seven calendar  
18 days. The report shall contain the name of each person contributing  
19 the funds and the amount contributed by each person. However, persons  
20 who contribute no more than twenty-five dollars in the aggregate are  
21 not required to be identified in the report. A copy of the report  
22 shall be retained by the treasurer for his or her records. In the  
23 event of deposits made by a deputy treasurer, the copy shall be  
24 forwarded to the treasurer for his or her records. Each report shall  
25 be certified as correct by the treasurer or deputy treasurer making  
26 the deposit.

27 (4)(a) The treasurer or candidate shall maintain books of account  
28 accurately reflecting all contributions and expenditures on a current  
29 basis within five business days of receipt or expenditure. During the  
30 eight days immediately preceding the date of the election the books  
31 of account shall be kept current within one business day. As  
32 specified in the committee's statement of organization filed under  
33 RCW 42.17A.205, the books of account must be open for public  
34 inspection by appointment at the designated place for inspections  
35 between 8:00 a.m. and 8:00 p.m. on any day from the eighth day  
36 immediately before the election through the day immediately before  
37 the election, other than Saturday, Sunday, or a legal holiday. It is  
38 a violation of this chapter for a candidate or political committee to  
39 refuse to allow and keep an appointment for an inspection to be  
40 conducted during these authorized times and days. The appointment

1 must be allowed at an authorized time and day for such inspections  
2 that is within twenty-four hours of the time and day that is  
3 requested for the inspection.

4 (b) At the time of making the appointment, a person wishing to  
5 inspect the books of account must provide the treasurer the name and  
6 telephone number of the person wishing to inspect the books of  
7 account. The person inspecting the books of account must show photo  
8 identification before the inspection begins.

9 (c) A treasurer may refuse to show the books of account to any  
10 person who does not make an appointment or provide the required  
11 identification.

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

17 (6) The treasurer or candidate shall preserve books of account,  
18 bills, receipts, and all other financial records of the campaign or  
19 political committee for not less than five calendar years following  
20 the year during which the transaction occurred.

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

24 (8) When there is no outstanding debt or obligation, the campaign  
25 fund is closed, and the campaign is concluded in all respects or in  
26 the case of a political committee, the committee has ceased to  
27 function and has dissolved, the treasurer shall file a final report.  
28 Upon submitting a final report, the duties of the treasurer shall  
29 cease and there is no obligation to make any further reports.

30 **Sec. 2.** RCW 42.17A.255 and 2011 c 60 s 24 are each amended to  
31 read as follows:

32 (1) For the purposes of this section the term "independent  
33 expenditure" means any expenditure that is made in support of or in  
34 opposition to any candidate or ballot proposition and is not  
35 otherwise required to be reported pursuant to RCW 42.17A.220,  
36 42.17A.235, and 42.17A.240. "Independent expenditure" does not  
37 include: An internal political communication primarily limited to the  
38 contributors to a political party organization or political action  
39 committee, or the officers, management staff, and stockholders of a

1 corporation or similar enterprise, or the members of a labor  
2 organization or other membership organization; or the rendering of  
3 personal services of the sort commonly performed by volunteer  
4 campaign workers, or incidental expenses personally incurred by  
5 volunteer campaign workers not in excess of fifty dollars personally  
6 paid for by the worker. "Volunteer services," for the purposes of  
7 this section, means services or labor for which the individual is not  
8 compensated by any person.

9 (2) Within five days after the date of making an independent  
10 expenditure that by itself or when added to all other such  
11 independent expenditures made during the same election campaign by  
12 the same person equals one hundred dollars or more, or within five  
13 days after the date of making an independent expenditure for which no  
14 reasonable estimate of monetary value is practicable, whichever  
15 occurs first, the person who made the independent expenditure shall  
16 file with the commission an initial report of all independent  
17 expenditures made during the campaign prior to and including such  
18 date.

19 ~~(3) ((At the following intervals each person who is required to~~  
20 ~~file an initial report pursuant to subsection (2) of this section~~  
21 ~~shall file with the commission a further report of the independent~~  
22 ~~expenditures made since the date of the last report:~~

23 ~~(a) On the twenty first day and the seventh day preceding the~~  
24 ~~date on which the election is held; and~~

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

26 ~~(c) On the tenth day of each month in which no other reports are~~  
27 ~~required to be filed pursuant to this section. However, the further~~  
28 ~~reports required by this subsection (3) shall only be filed if the~~  
29 ~~reporting person has made an independent expenditure since the date~~  
30 ~~of the last previous report filed.~~

31 ~~The report filed pursuant to paragraph (a) of this subsection (3)~~  
32 ~~shall be the final report, and upon submitting such final report the~~  
33 ~~duties of the reporting person shall cease, and there shall be no~~  
34 ~~obligation to make any further reports.)) A person required to file~~  
35 ~~an initial report who makes additional independent expenditures in~~  
36 ~~the same election campaign shall, on the tenth of each month, file~~  
37 ~~with the commission a further report of independent expenditures.~~  
38 ~~Reports filed on the tenth day of the month shall report independent~~  
39 ~~expenditures made from the closing date of the last report filed~~

1 through the last day of the month preceding the date of the current  
2 report.

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

5 (5) Each report required by subsections (2) and (3) of this  
6 section shall disclose for the period beginning at the end of the  
7 period for the last previous report filed or, in the case of an  
8 initial report, beginning at the time of the first independent  
9 expenditure, and ending not more than one business day before the  
10 date the report is due:

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

12 (b) The name and address of each person to whom an independent  
13 expenditure was made in the aggregate amount of more than fifty  
14 dollars, and the amount, date, and purpose of each such expenditure.  
15 If no reasonable estimate of the monetary value of a particular  
16 independent expenditure is practicable, it is sufficient to report  
17 instead a precise description of services, property, or rights  
18 furnished through the expenditure and where appropriate to attach a  
19 copy of the item produced or distributed by the expenditure;

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

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

25 **Sec. 3.** RCW 42.17A.265 and 2010 c 204 s 414 are each amended to  
26 read as follows:

27 (1) Treasurers shall prepare and deliver to the commission a  
28 special report when a contribution (~~or aggregate of contributions~~  
29 ~~totals one~~) of ten thousand dollars or more, is received from a  
30 single person (~~or entity, and is received during a special reporting~~  
31 ~~period~~)).

32 (2) A political committee shall prepare and deliver to the  
33 commission a special report when it makes a contribution (~~or an~~  
34 ~~aggregate of contributions~~) to a single entity (~~that totals one~~)  
35 of ten thousand dollars or more (~~during a special reporting~~  
36 ~~period~~)).

37 (~~An aggregate of contributions includes only those~~  
38 ~~contributions made to or received from a single entity during any one~~  
39 ~~special reporting period. Any subsequent contribution of any size~~

1 made to or received from the same person or entity during the special  
2 reporting period must also be reported.

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

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

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

9 (c) An aggregate of contributions includes only those  
10 contributions received from a single entity during any one special  
11 reporting period or made by the contributing political committee to a  
12 single entity during any one special reporting period.

13 (5) If a campaign treasurer files a special report under this  
14 section for one or more contributions received from a single entity  
15 during a special reporting period, the treasurer shall also file a  
16 special report under this section for each subsequent contribution of  
17 any size which is received from that entity during the special  
18 reporting period. If a political committee files a special report  
19 under this section for a contribution or contributions made to a  
20 single entity during a special reporting period, the political  
21 committee shall also file a special report for each subsequent  
22 contribution of any size which is made to that entity during the  
23 special reporting period.

24 (6)) Special reports required by this section shall be delivered  
25 electronically ((or in written form, including but not limited to  
26 mailgram, telegram, or nightletter. The special report may be  
27 transmitted orally by telephone to the commission if the written form  
28 of the report is postmarked and mailed to the commission or the  
29 electronic filing is transferred to the commission within the  
30 delivery periods established in (a) and (b) of this subsection)).

31 (a) The special report required of a contribution recipient under  
32 subsection (1) of this section shall be delivered to the commission  
33 within forty-eight hours of the time, or on the first working day  
34 after((+)) the contribution of ((one)) ten thousand dollars or more  
35 is received by the candidate or treasurer((+ the aggregate received  
36 by the candidate or treasurer first equals one thousand dollars or  
37 more; or any subsequent contribution from the same source is received  
38 by the candidate or treasurer)).

39 (b) The special report required of a contributor under subsection  
40 (2) of this section or RCW 42.17A.625 shall be delivered to the

1 commission, and the candidate or political committee to whom the  
2 contribution or contributions are made, within twenty-four hours of  
3 the time, or on the first working day after ~~((+))~~ the contribution is  
4 made ~~((; the aggregate of contributions made first equals one thousand  
5 dollars or more; or any subsequent contribution to the same person or  
6 entity is made))~~.

7 ~~((+7))~~ (4) The special report shall include:

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

9 (b) The date or dates of receipt;

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

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

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

13 ~~((+8))~~ (5) Contributions reported under this section shall also  
14 be reported as required by other provisions of this chapter.

15 ~~((+9) The commission shall prepare daily a summary of the special  
16 reports made under this section and RCW 42.17A.625.~~

17 ~~(+10))~~ (6) Contributions governed by this section include, but  
18 are not limited to, contributions made or received indirectly through  
19 a 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 **Sec. 4.** RCW 42.17A.625 and 2010 c 204 s 806 are each amended to  
23 read as follows:

24 Any lobbyist registered under RCW 42.17A.600, any person who  
25 lobbies, and any lobbyist's employer making a contribution or an  
26 aggregate of contributions to a single entity that is ~~((one))~~ ten  
27 thousand dollars or more ~~((during a special reporting period))~~, as  
28 specified in RCW 42.17A.265, ~~((before a primary or general election))~~  
29 shall file one or more special reports in the same manner and to the  
30 same extent that a contributing political committee must file under  
31 RCW 42.17A.265.

32 NEW SECTION. **Sec. 5.** The following acts or parts of acts are  
33 each repealed:

34 (1) RCW 42.17A.250 (Out-of-state political committees—Reports)  
35 and 2010 c 204 s 411, 2006 c 348 s 6, & 2003 c 123 s 2; and

1           (2)    RCW    42.17A.420    (Reportable       contributions—Preelection  
2  limitations) and 2010 c 204 s 604.

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