

# FINAL BILL REPORT

## ESSB 5684

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### PARTIAL VETO

C 397 L 95

Synopsis as Enacted

**Brief Description:** Consolidating and revising public disclosure laws.

**Sponsors:** Senate Committee on Law & Justice (originally sponsored by Senators Smith, Winsley, Gaspard, Oke, Wood and Hale; by request of Public Disclosure Commission).

### Senate Committee on Law & Justice

**Background:** The Public Disclosure Commission (PDC) is charged with enforcement of laws related to public records, campaign financing, lobbyist registration and reporting, political advertising, reporting of financial affairs of public officials, and campaign contribution limitations. In exercising its enforcement authority, the PDC often becomes aware of problems and concerns with existing law that can be addressed by amending the law. These changes can range from very minor technical changes to significant policy adjustments.

The types of problems identified by the PDC include multiple definition sections with different definitions for the same word or phrase, different restrictions for candidates for state or local office, the need for clarification of a number of procedures, the need to simplify some operating procedures, the elimination of unnecessary reporting requirements, and addressing technological changes.

In 1993, the Legislature enacted a law establishing a Commission on Ethics in Government and Campaign Practices. This legislation was in response to the reported illegal use of legislative staff for campaign purposes, and other concerns with ethical standards for both campaign practices and state employment.

Legislation was drafted to implement the recommendations of the commission. This legislation was introduced in the form of two bills, one focused on campaign reform and one focused on state employee ethics issues. The ethics bill was enacted by the Legislature in 1994. Many of the campaign reform recommendations have been merged with the proposed legislation from the PDC.

**Summary:** The three existing definition sections in public disclosure statutes are merged and amended. The definition for "caucus of the state legislature" is replaced by a definition for "caucus political committee" throughout this chapter. "Contribution" does not include legal or accounting services donated to a political party, caucus political committee, or a candidate. " Gift" is defined the same as in the ethics statutes.

Campaigns must file only a weekly report on contributions deposited in a bank, instead of every time a deposit is made. The PDC must allow filer participation in any PDC system designed for electronic filing of reports.

Only the name and address is required for each person who has contributed \$100 or more to a campaign. Unnecessary reporting requirements for contributions, expenditures, and gifts are deleted.

Electronic filing of reports is permitted. The file transfer date is the received date for electronic filing.

The late contribution limit does apply to county central committees and legislative district committees.

The restriction on mailings by state legislators during election years terminates on the last day for certification of election results.

The PDC is required to publish the lobbyist pictorial directory every two years instead of annually.

Detailed staff and salary reports must be provided by the Legislature annually.

Elected officials and state officers must certify with their financial affairs statement that they are aware of the prohibitions on use of public facilities. Activities regarding initiatives to the Legislature are exempt from the prohibition on use of public facilities to the same extent activities regarding other ballot measures are permitted.

Gifts to the spouse or children of elected officials and state officers are attributable to the official or employee unless an independent relationship exists between the giver and the spouse or child. Elected officials and state officers must report gifts of food and beverage in excess of \$50, and payments of expenses for appearances, course fees, or travel that are accepted.

Members of the Executive Ethics Board, the Legislative Ethics Board, and the Commission on Judicial Conduct must file financial affairs statements.

Public disclosure statutes are amended to specifically address access to and production of public records in the possession of the Senate and the House of Representatives.

The PDC procedure for renewing reporting modifications is simplified. PDC rules relating to campaign finance or political advertising that would take effect after June 30 of a general election year will take effect no earlier than the day after the election.

Sponsor identification is required only on the first page of political advertising rather than on every page. Language is added that clarifies that the top five contributors must be listed when the advertising is an independent expenditure by a sponsor other than a party organization. Sponsor identification does not have to appear in a printed box.

The contribution limit from caucuses and political parties is based on the number of eligible voters in a jurisdiction at the time of the most recent election. Voter registration, get-out-the-vote activities, sample ballots, precinct judges, and political committee internal organization and fund raising without direct association with individual candidates are exempt from contribution limits.

Language that prohibits employers or labor organizations from demanding the appearance of political neutrality from their employees is deleted.

The full amount of a loan to a campaign for any public office is attributed as a contribution to both the lender and guarantor. The requirement that a loan must be secured or guaranteed in order to not be subject to contribution limits is deleted.

The prohibition against state officials soliciting funds within a government agency for a candidate, political party or political committee is extended to local officials. The prohibition against state officials and employees providing an advantage to employees or job applicants based on contributions to political parties or political committees is extended to local officials and employees.

The prohibition on soliciting money in return for media support applies to candidates for all public offices.

Reimbursing another person for a contribution to a candidate for any public office is prohibited.

Contributions must be disposed of as surplus funds if the candidate for any public office wants to use the funds for a campaign for a different office than the one for which they are solicited and the contributor does not give permission.

Internal communications, volunteer services, and incidental expenses, not to exceed \$50, personally paid by volunteer campaign workers are excluded from the definition for independent expenditure.

Ethics boards are required to define measurable expenditure with regard to use of public facilities for political purposes.

Surplus campaign funds may be transferred without limit to the caucus political committee. Surplus funds may also be used for nonreimbursed office related expenses.

Lobbyist reporting requirements are revised to conform to the reporting requirements in the state ethics law.

**Votes on Final Passage:**

Senate	48	0	
House	89	0	(House amended)
Senate			(Senate refused to concur)
House	96	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** July 1, 1995 (Sections 1-32, 34 and 37)  
July 23, 1995  
September 1, 1995 (Section 33)

**Partial Veto Summary:** The section limiting required disclosure for each person who contributes \$100 or more to a campaign to only the name and address is vetoed.

The section deleting language that prohibits employers or labor organizations from demanding the appearance of political neutrality from their employees is vetoed.