
HOUSE BILL 2553

State of Washington 56th Legislature 2000 Regular Session

By Representatives Dunshee and Edmonds

Read first time 01/17/2000. Referred to Committee on State Government.

1 AN ACT Relating to campaign reform; amending RCW 42.17.020,
2 34.05.310, 42.36.040, 42.17.080, 42.17.065, 42.17.090, 42.17.510,
3 42.17.040, 42.17.105, 42.17.175, and 42.17.680; adding new sections to
4 chapter 42.17 RCW; creating new sections; repealing RCW 42.17.128; and
5 prescribing penalties.

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

7 NEW SECTION. **Sec. 1.** PURPOSE. The purpose of this act is to
8 create a system of clean elections for legislative and gubernatorial
9 campaigns that will improve the integrity of Washington state
10 government by diminishing the influence of special-interest money,
11 encourage citizen participation in the political process, promote
12 freedom of speech under the United States and Washington constitutions,
13 and refocus campaigns on issues and away from the sources of campaign
14 contributions.

15 Further, it is the purpose of this act to alter the existing system
16 of campaign finance for legislative and gubernatorial campaigns, which
17 system (1) allows elected officials and challengers to accept large
18 campaign contributions from private interests over which they have or
19 may have governmental jurisdiction; (2) gives incumbents an unhealthy

1 advantage over challengers; (3) hinders many qualified candidates from
2 effectively communicating with voters; (4) effectively suppresses the
3 voices and influence of the vast majority of Washington citizens in
4 favor of a small number of wealthy special interests; (5) undermines
5 public confidence in the integrity of public officials; (6) costs
6 average taxpayers millions of dollars in the form of subsidies and
7 special privileges often provided for large campaign contributors; (7)
8 drives up the cost of running for state office, discouraging otherwise
9 qualified candidates who lack personal wealth or access to
10 special-interest funding; and (8) requires that elected officials spend
11 too much of their time raising funds rather than representing the
12 public.

13 **PART I--VOLUNTARY SPENDING LIMITATIONS AND**
14 **RELATED CONTRIBUTION LIMITATIONS**

15 NEW SECTION. **Sec. 101.** VOLUNTARY LIMITATIONS ON SPENDING AND
16 CONTRIBUTIONS FOR POLITICAL CAMPAIGNS. (1) Notwithstanding any law to
17 the contrary, a participating candidate and a participating candidate's
18 authorized committee:

19 (a) Shall not accept any contributions, other than a limited number
20 of five-dollar qualifying contributions as specified in section 104 of
21 this act and early contributions as specified in section 103 of this
22 act, except in the emergency situation specified in section 111(4) of
23 this act;

24 (b) Shall not expend more than a total of five hundred dollars of
25 the candidate's personal moneys for a candidate for legislature or more
26 than one thousand dollars of the candidate's personal moneys for a
27 candidate for governor;

28 (c) Shall not make expenditures in the primary election period in
29 excess of the primary election spending limit;

30 (d) Shall not make expenditures in the general election period in
31 excess of the general election spending limit; and

32 (e) Shall comply with section 105 of this act regarding the
33 authorized committee's account and section 110 of this act regarding
34 returning unused moneys to the citizens' clean elections fund.

35 (2) However, a participating candidate and one or more other
36 candidates for the same office may file a written agreement with the
37 commission agreeing to expenditure limits below those otherwise

1 established under subsection (1) of this section. Each candidate who
2 signs such an agreement is subject to the lower spending limitation and
3 will receive the lower amounts of campaign funding under section 107 of
4 this act.

5 (3) Any two or more nonparticipating candidates for the same office
6 may file a written agreement with the commission establishing an
7 expenditure limitation for their campaigns. Each candidate who signs
8 such an agreement is subject to this spending limitation and is subject
9 to fines, penalties, and forfeiture of office provided in this chapter
10 for violating this limitation as if the candidate were a participating
11 candidate.

12 NEW SECTION. **Sec. 102.** CERTIFICATION AS A PARTICIPATING
13 CANDIDATE. (1) A candidate who wishes to be certified as a
14 participating candidate shall, before the end of the qualifying period,
15 file an application with the commission using a form specified by the
16 commission. The application must identify the candidate, the office
17 that the candidate plans to seek, and the candidate's party, if any,
18 and contain the candidate's signature, under oath, certifying that:

19 (a) The candidate has complied with the restrictions of section
20 101(1) of this act during the election cycle to date;

21 (b) The candidate's campaign committee has filed all campaign
22 finance reports required under this chapter during the election cycle
23 to date that are complete and accurate; and

24 (c) The candidate will comply with the requirements of section
25 101(1) of this act during the remainder of the election cycle and,
26 specifically, will not accept private contributions.

27 (2) The commission shall act on the application within seven days.
28 Unless, within that time, the commission denies an application and
29 provides written reasons that all or part of a certification in
30 subsection (1) of this section is incomplete or untrue, the commission
31 shall certify the candidate as a participating candidate. If the
32 commission denies an application for failure to file all complete and
33 accurate campaign finance reports or failure to make the certification
34 in subsection (1)(c) of this section, the candidate may reapply within
35 two weeks of the commission's decision by filing complete and accurate
36 campaign finance reports and another sworn certification.

1 (3) A candidate who is certified as a participating candidate may
2 use this designation in campaign materials and will be so designated in
3 the state voters' pamphlet.

4 NEW SECTION. **Sec. 103.** LIMITS ON EARLY CONTRIBUTIONS. (1) A
5 participating candidate may accept early contributions only from
6 individuals and only during the exploratory period and the qualifying
7 period, subject to the following limitations:

8 (a) Notwithstanding any law to the contrary, a contributor may not
9 give contributions exceeding one hundred dollars during an election
10 cycle and a participating candidate may not accept contributions from
11 a contributor exceeding one hundred dollars during an election cycle;

12 (b) Notwithstanding any law to the contrary, early contributions to
13 a participating candidate from all sources for an election cycle must
14 not exceed, for a candidate for governor, forty thousand dollars or,
15 for a legislative candidate, ten percent of the sum of the primary
16 election spending limit and the general election spending limit; and

17 (c) Qualifying contributions specified under section 104 of this
18 act will not be included in determining whether the limits in this
19 subsection have been exceeded.

20 (2) Early contributions specified in subsection (1) of this section
21 and the candidate's personal moneys specified in section 101(1)(b) of
22 this act may be spent only during the exploratory period and the
23 qualifying period. Any early contributions not spent by the end of the
24 qualifying period must be paid to the citizens' clean elections fund.

25 NEW SECTION. **Sec. 104.** QUALIFYING CONTRIBUTIONS. (1) During the
26 qualifying period, a participating candidate may collect qualifying
27 contributions, which must be paid to the citizens' clean elections
28 fund.

29 (2) To qualify as a "qualifying contribution," a contribution must
30 be:

31 (a) Made by a registered voter who at the time of the contribution
32 was registered in the electoral district of the office the candidate is
33 seeking and who has not given another qualifying contribution to that
34 candidate during that election cycle;

35 (b) Made by a person who is not given anything of value in exchange
36 for the qualifying contribution;

37 (c) In the sum of five dollars, exactly;

1 (d) Received unsolicited during the qualifying period or solicited
2 during the qualifying period by a person who is not employed or
3 retained by the candidate and who is not compensated to collect
4 contributions by the candidate or on behalf of the candidate;

5 (e) If made by check or money order, made payable to the
6 candidate's authorized committee, or if in cash, deposited in the sole
7 account in the candidate's authorized committee; and

8 (f) Accompanied by a three-part reporting slip that includes the
9 printed name, registration address, and signature of the contributor,
10 the name of the candidate for whom the contribution is made, the date,
11 and the printed name and signature of the solicitor.

12 (3) A copy of the reporting slip must be given as a receipt to the
13 contributor, and another copy must be retained by the candidate's
14 campaign committee. Delivery of the reporting slips to the commission
15 excuses the candidate from disclosure of these contributions on
16 campaign finance reports filed under RCW 42.17.080.

17 NEW SECTION. **Sec. 105.** CONTROLS ON A PARTICIPATING CANDIDATE'S
18 AUTHORIZED COMMITTEE. (1) A participating candidate and the
19 participating candidate's authorized committee shall conduct all
20 financial activity through a single account. A participating candidate
21 may not make any deposits into this account other than those permitted
22 under sections 103, 104, and 107 of this act.

23 (2) A participating candidate and the treasurer of the
24 participating candidate's authorized committee must sign a joint
25 statement under oath promising to comply with the requirements of
26 sections 101 through 117 of this act.

27 (3) A participating candidate or the treasurer of the participating
28 candidate's authorized committee shall pay moneys from the authorized
29 committee's account directly to the person providing goods or services
30 to the campaign and shall identify, on reports filed under RCW
31 42.17.080 the full name and street address of the person and the nature
32 of the goods or services and compensation for which payment has been
33 made. However, an authorized committee may establish one or more petty
34 cash accounts, which in aggregate must not exceed one thousand dollars
35 at any time. A single expenditure may not be made from a petty cash
36 account exceeding one hundred dollars. Expenditures from any petty
37 cash accounts must also be included in reports filed under RCW
38 42.17.080.

1 (4) Moneys in the account of a participating candidate's authorized
2 committee may not be used to pay fines or civil penalties, for costs or
3 legal fees related to representation before the commission, or for
4 defense of any enforcement action under this chapter. Nothing in this
5 subsection prevents a participating candidate from having a legal
6 defense fund.

7 NEW SECTION. **Sec. 106.** QUALIFICATION FOR CLEAN CAMPAIGN FUNDING.

8 (1) A candidate who has applied for certification may also apply, in
9 accordance with subsection (2) of this section, to receive funds from
10 the citizens' clean elections fund, instead of receiving private
11 contributions.

12 (2) To receive funding from the citizens' clean elections fund, a
13 candidate must present to the commission no later than one week after
14 the end of the qualifying period a list of names of persons who have
15 made qualifying contributions under section 104 of this act on behalf
16 of the candidate. The list must be divided by county. At the same
17 time, the candidate must tender to the commission the original
18 reporting slips identified in section 104 of this act for persons on
19 the list and an amount equal to the sum of the qualifying contributions
20 collected. The commission shall deposit the amount into the citizens'
21 clean elections fund.

22 (3) The commission shall select at random a sample of five percent
23 of the number of nonduplicative names on the list and forward
24 facsimiles of the selected reporting slips to the county auditor of the
25 counties of the addresses specified in the selected slips. Within ten
26 days, the county auditors shall provide a report to the commission
27 identifying as disqualified any slips that are unsigned or undated or
28 that the auditor is unable to verify as matching a person who is
29 registered to vote, on the date specified on the slip, inside the
30 electoral district of the office the candidate is seeking. The
31 commission shall multiply the number of slips not disqualified by
32 twenty, and if the result is greater than one hundred ten percent of
33 the quantity required, shall approve the candidate for funds, and if
34 the result is less than ninety percent of the quantity required, shall
35 deny the application for funds. Otherwise, the commission shall
36 forward facsimiles of all of the slips to the county auditors for
37 verification, and the county auditors shall check all slips by using
38 the same process.

1 (4) To qualify for clean campaign funding, a candidate must have
2 been certified as a participating candidate under section 102 of this
3 act and have obtained: (a) Two hundred qualifying contributions for a
4 candidate for the state legislature; or (b) four thousand qualifying
5 contributions for a candidate for governor.

6 NEW SECTION. **Sec. 107.** CLEAN CAMPAIGN FUNDING. (1) At the
7 beginning of the primary election period, the commission shall direct
8 the state treasurer to pay from the citizens' clean elections fund to
9 the account of the authorized committee of each candidate who qualifies
10 for clean campaign funding an amount equal to the primary election
11 spending limit.

12 (2) At any time after the first day of January of an election year
13 and before the regular filing period specified under chapter 29.15 RCW,
14 a candidate who has met the requirements of section 106 of this act may
15 sign and file a declaration of candidacy and pay the filing fee as a
16 candidate for the legislature or governor. The commission shall pay
17 the amount specified under subsection (1) of this section immediately
18 upon the filing of the declaration of candidacy and payment of the
19 filing fee, rather than waiting for the beginning of the primary
20 election period.

21 (3) At the beginning of the general election period, the commission
22 shall pay from the citizens' clean elections fund to the account of the
23 authorized committee of each candidate who qualifies for clean campaign
24 funding for the general election, except those candidates identified in
25 subsection (1) or (4) of this section, an amount equal to the general
26 election spending limit.

27 (4) At the beginning of the general election period, the commission
28 shall pay from the citizens' clean elections fund to the campaign
29 account of a qualified participating candidate who has not received
30 funds under subsection (1) of this section and who is unopposed by any
31 other candidate an amount equal to five dollars times the number of
32 qualifying contributions for that candidate certified by the
33 commission.

34 (5) The general election spending limit, for a candidate who has
35 received funds under subsection (1) or (4) of this section, is equal to
36 the amount that the commission is obligated to pay to that candidate.

1 NEW SECTION. **Sec. 108.** EQUAL FUNDING OF CANDIDATES. (1) Whenever
2 during a primary election period a report is filed, or other
3 information comes to the attention of the commission, indicating that
4 a nonparticipating candidate for the same office as a participating
5 candidate has made expenditures during the election cycle to date
6 exceeding the primary election spending limit for the participating
7 candidate, the commission shall immediately pay from the citizens'
8 clean elections fund to the account of the authorized committee of any
9 participating candidate seeking the same office as the nonparticipating
10 candidate, an amount equal to any excess of the reported amount over
11 the primary election spending limit, and the primary election spending
12 limit for all such participating candidates will be adjusted by
13 increasing it by the amount that the commission is obligated to pay to
14 a participating candidate.

15 (2) Whenever during a general election period a report has been
16 filed, or other information comes to the attention of the commission,
17 indicating that the amount a nonparticipating candidate for the same
18 office as a participating candidate has received in contributions
19 during the election cycle to date less the amount of expenditures the
20 nonparticipating candidate made through the end of the primary election
21 period exceeds the general election spending limit for a participating
22 candidate, the commission shall immediately pay from the citizens'
23 clean elections fund to the account of the authorized committee of any
24 participating candidate qualified for the ballot and seeking the same
25 office as the nonparticipating candidate, an amount equal to any excess
26 of the reported difference over the general election spending limit,
27 and the general election spending limit for all such participating
28 candidates will be adjusted by increasing it by the amount that the
29 commission is obligated to pay to a participating candidate.

30 (3) For purposes of subsections (1) and (2) of this section the
31 following expenditures reported under sections 101 through 117 of this
32 act will be treated as follows:

33 (a) Independent expenditures against a participating candidate will
34 be treated as expenditures of each opposing candidate, for purposes of
35 subsection (1) of this section, or contributions to each opposing
36 candidate, for purposes of subsection (2) of this section.

37 (b) Independent expenditures in favor of one or more
38 nonparticipating opponents of a participating candidate will be treated
39 as expenditures of those nonparticipating candidates, for purposes of

1 subsection (1) of this section, or contributions to those
2 nonparticipating candidates, for purposes of subsection (2) of this
3 section.

4 (c) Independent expenditures in favor of a participating candidate
5 will be treated, for every opposing participating candidate, as though
6 the independent expenditures were an expenditure of a nonparticipating
7 opponent, for purposes of subsection (1) of this section, or a
8 contribution to a nonparticipating opponent, for purposes of subsection
9 (2) of this section.

10 (d) Expenditures made before the general election period that
11 consist of a contract, promise, or agreement to make an expenditure
12 during the general election period resulting in an extension of credit
13 will be treated as though made during the general election period, and
14 equalizing funds under subsection (2) of this section will be paid at
15 the start of the general election period.

16 (e) The commission shall allocate expenditures for or against a
17 participating candidate promoting or opposing more than one candidate
18 who are not running for the same office among candidates for different
19 offices based on the relative size or length and relative prominence of
20 the reference to candidates for different offices.

21 (4) If the adjusted spending limit reaches three times the spending
22 limit for a particular election, then the commission shall not pay any
23 further amounts from the citizens' clean elections fund to the campaign
24 account of the participating candidate, and the spending limit will not
25 be adjusted further.

26 NEW SECTION. Sec. 109. LIMITATIONS ON SPENDING FROM THE CITIZENS'
27 CLEAN ELECTIONS FUND. (1) The commission shall not spend, on all costs
28 incurred under sections 101 through 117 of this act during a particular
29 calendar year, more than two dollars and fifty cents times the
30 population of the state during the previous year, as certified by the
31 office of financial management. The commission may exceed this limit
32 during a calendar year, if it is offset by an equal reduction of the
33 limit during another calendar year during the same four-year period
34 beginning January 1st immediately after a gubernatorial election.

35 (2) The commission may use up to ten percent of the amount
36 specified in subsection (1) of this section for reasonable and
37 necessary expenses of administration and enforcement of sections 101
38 through 117 of this act, including the activities specified in section

1 114 of this act. Any portion of the ten percent not used for this
2 purpose will remain in the fund.

3 (3) The commission shall apply ten percent of the amount specified
4 in subsection (1) of this section for reasonable and necessary expenses
5 associated with voter education, including the activities specified in
6 section 113(1) of this act.

7 (4) The state treasurer shall administer a citizens' clean
8 elections fund from which costs incurred under sections 101 through 117
9 of this act will be paid.

10 NEW SECTION. **Sec. 110.** RETURN OF MONEYS TO THE CITIZENS' CLEAN
11 ELECTIONS FUND. (1) At the end of the primary election period, a
12 participating candidate who has received moneys under section 107(1) of
13 this act shall return to the citizens' clean elections fund all moneys
14 in the account of the candidate's authorized committee above an amount
15 sufficient to pay any unpaid bills for expenditures made during the
16 primary election period and for goods or services directed to the
17 primary election.

18 (2) At the end of the general election period, a participating
19 candidate shall return to the citizens' clean elections fund all moneys
20 in the account of the candidate's authorized committee above an amount
21 sufficient to pay any unpaid bills for expenditures made before the
22 general election and for goods or services directed to the general
23 election.

24 (3) A participating candidate shall pay all uncontested and unpaid
25 bills referred to in this section no later than thirty days after the
26 primary or general election. A participating candidate shall make
27 monthly reports to the commission concerning the status of the dispute
28 over any contested bills. Any moneys in a candidate's campaign account
29 after payment of bills must be returned promptly to the citizens' clean
30 elections fund.

31 (4) If a participating candidate is replaced as the result of a
32 vacancy as provided under RCW 29.15.230, and the replacement candidate
33 files an oath with the commission certifying to section 102(1)(c) of
34 this act, the campaign account of the participating candidate will be
35 transferred to the replacement candidate and the commission shall
36 certify the replacement candidate as a participating candidate without
37 requiring compliance with section 106 of this act or the remainder of
38 section 102 of this act. If the replacement candidate does not file

1 such an oath, the account of the authorized committee of the candidate
2 whose position is vacant will be liquidated and all remaining moneys
3 returned to the citizens' clean elections fund.

4 NEW SECTION. **Sec. 111.** CITIZENS' CLEAN ELECTIONS FUND. (1) The
5 citizens' clean elections fund is created in the custody of the state
6 treasurer as a fund separate from the state general fund. All receipts
7 from (a) taxes imposed under chapter 82.04 RCW on public relations or
8 advertising services; (b) beginning January 1, 2001, a ten percent
9 surcharge, hereby imposed, on all civil and criminal fines and
10 penalties collected under this chapter; (c) fees imposed on lobbyists
11 under section 112 of this act; (d) amounts returned under section 110
12 of this act; and (e) amounts turned over under section 115(4) of this
13 act must be deposited into the fund. Expenditures from the fund may be
14 used only as provided by sections 107 through 109 of this act. Only
15 the commission or its designee may authorize expenditures from the
16 fund. The fund is not subject to allotment procedures under chapter
17 43.88 RCW. All interest earnings and other income obtained from
18 investing money in the fund will remain with the fund, and no portion
19 of these earnings may be returned to the state investment board expense
20 account as otherwise provided under RCW 43.33A.160. An appropriation
21 is not required for expenditures from the fund, including authorized
22 transfers that are made from the fund to the account of the authorized
23 committee of a participating candidate.

24 (2) At least once per year, the commission shall project the amount
25 of money that the fund will receive over each of the next four years,
26 when this money will become available, and the required expenditures
27 from the fund for each of the next four calendar years. Whenever the
28 commission determines that the fund contains more money than the
29 commission determines is required to meet current debts plus expected
30 expenses, under the assumption that expected expenses will be at the
31 expenditure limit in section 109(1) of this act and taking into account
32 the projections of anticipated revenues, the commission shall designate
33 this money as excess and so notify the state treasurer, who shall
34 transfer the excess money to the state general fund. Whenever the
35 commission determines that the citizens' clean elections fund will not
36 contain sufficient money to meet its current debts plus expected
37 expenses, under the assumption that expected expenses will be at the
38 expenditure limit in section 109(1) of this act and taking into account

1 the projections of anticipated revenues, the commission shall notify
2 the legislature of this projected deficiency. The legislature shall
3 appropriate sufficient money from the general fund into the citizens'
4 clean elections fund necessary to meet this deficiency.

5 (3) If the legislature fails to appropriate sufficient money to
6 eliminate the projected deficiency, then the commission shall announce
7 the deficiency. The announcement may include specifications for
8 decreases in the following parameters, based on the commission's
9 projections of collections and expenses for the citizens' clean
10 elections fund, made in the following order:

11 (a) First, the commission may announce a decrease in the adjusted
12 spending limit under section 108(4) of this act from three times to an
13 amount between three and one times.

14 (b) Next, the commission may announce that the fund will provide
15 equalization money under section 108 (1) and (2) of this act as a
16 fraction of the amounts there specified.

17 (c) Finally, the commission may announce that the fund will provide
18 money under section 107 of this act as a fraction of the amounts there
19 specified.

20 (4) If the commission cannot provide participating candidates with
21 all money specified under sections 107 and 108 of this act, as
22 decreased by any announcement under subsection (3) of this section,
23 then the commission shall allocate any reductions in payments
24 proportionately among candidates entitled to money and shall declare an
25 emergency. Upon declaration of an emergency, a participating candidate
26 may accept private contributions to bring the total money received by
27 the candidate from the fund and from such private contributions up to
28 the adjusted spending limits, as decreased by any announcement made
29 under subsection (3) of this section.

30 NEW SECTION. **Sec. 112.** LOBBYIST FEES. Beginning on January 1,
31 2001, an annual fee of one hundred dollars is imposed on each
32 registered lobbyist who represents: (1) One or more persons in
33 connection with a commercial or for-profit activity except public
34 bodies; or (2) a nonprofit entity predominately composed of or acting
35 on behalf of a trade association or other grouping of commercial or
36 for-profit entities. The commission shall collect the fee and transmit
37 it to the state treasurer for deposit into the citizens' clean
38 elections fund.

1 NEW SECTION. **Sec. 113.** VOTER EDUCATION AND ENFORCEMENT DUTIES.

2 (1) The commission shall sponsor debates among candidates for the
3 legislature and for governor, in such a format, manner, and times as
4 the commission determines. Participating candidates must attend and
5 participate in debates, and the commission may specify by rule
6 penalties for a participating candidate failing to participate in a
7 debate. The commission shall invite nonparticipating candidates to
8 participate in the debates.

9 (2) The commission shall:

10 (a) Prescribe forms for reports, statements, notices, and other
11 documents required by sections 101 through 117 of this act;

12 (b) Prepare and publish instructions setting forth methods of
13 bookkeeping and preservation of records to facilitate compliance with
14 sections 101 through 117 of this act and explaining the duties of
15 persons and committees under sections 101 through 117 of this act;

16 (c) Adopt rules to implement sections 101 through 117 of this act,
17 but these rules are not subject to the requirements of RCW 34.05.310,
18 and the joint administrative rules review committee may not make these
19 rules subject to RCW 34.05.328;

20 (d) Enforce sections 101 through 117 of this act, ensure that money
21 from the citizens' clean elections fund that is transferred into the
22 account of an authorized committee of a participating candidate is
23 spent as specified in sections 101 through 117 of this act and not
24 otherwise, monitor reports filed under sections 101 through 117 of this
25 act and financial records of candidates as needed to ensure that
26 equalization moneys are paid promptly to opposing qualified candidates
27 under section 108 of this act.

28 (3) Based on the results of the elections in the year 2002 or any
29 subsequent presidential election, and within six months after such an
30 election, the commission may adopt rules changing the number of
31 qualifying contributions required for any office from those listed in
32 section 106(4) of this act by no more than twenty percent of the number
33 applicable for the preceding presidential election.

34 NEW SECTION. **Sec. 114.** ENFORCEMENT PROCEDURE. (1) If the

35 commission finds that there is reason to believe that a person has
36 violated any provision of sections 101 through 117 of this act, the
37 commission shall serve on that person an order stating with reasonable
38 particularity the nature of the violation and requiring compliance

1 within fourteen days. During that period, the alleged violator may
2 provide any explanation to the commission, comply with the order, or
3 enter into a public administrative settlement with the commission.

4 (2) Upon expiration of the fourteen days, if the commission finds
5 that the alleged violator remains out of compliance, the commission
6 shall make a public finding to that effect and issue an order assessing
7 a civil penalty in accordance with section 115 of this act, unless the
8 commission publishes findings of fact and conclusions of law expressing
9 good cause for reducing or excusing the penalty. The violator has
10 fourteen days from the date of issuance of the order assessing the
11 penalty to appeal to the superior court of Thurston County.

12 (3) A candidate in a particular election contest who believes that
13 an opposing candidate has violated sections 101 through 117 of this act
14 for that election may file a complaint with the commission requesting
15 that action be taken under this section. If the commission fails to
16 make a finding under subsection (1) of this section within thirty days
17 after the filing of the complaint, the candidate may bring a civil
18 action in the superior court of Thurston County to impose the civil
19 penalties prescribed in this section.

20 NEW SECTION. **Sec. 115.** CIVIL PENALTIES AND FORFEITURE OF OFFICE.

21 (1) The civil penalty for a violation of a contribution or expenditure
22 limit established under section 101 of this act by or on behalf of a
23 participating candidate is ten times the amount by which the
24 expenditures or contributions exceed the applicable limit.

25 (2) In addition to any other penalties imposed by law, the civil
26 penalty for a violation by or on behalf of a participating candidate of
27 a reporting requirement imposed by this chapter is one hundred dollars
28 per day for candidates for the legislature and three hundred dollars
29 per day for candidates for governor. The civil penalty imposed under
30 this subsection is doubled if the amount not reported for a particular
31 election cycle exceeds ten percent of the primary or general election
32 spending limit. A civil penalty imposed under this subsection may not
33 exceed twice the amount of expenditures or contributions not reported.
34 The candidate and the candidate's authorized committee are jointly and
35 severally responsible for a civil penalty imposed under this
36 subsection.

37 (3) A campaign finance report filed indicating a violation of
38 section 101 (1), (2), or (3) of this act involving an amount in excess

1 of ten percent of the sum of the primary election spending limit and
2 the general election spending limit for a particular candidate
3 disqualifies the candidate and causes forfeiture of the office. The
4 commission or a citizen of this state may petition the superior court
5 of Thurston County for an order to disqualify the candidate and forfeit
6 his or her office.

7 (4) A participating candidate adjudged to have committed a knowing
8 violation of section 101 of this act shall repay the amount from his or
9 her personal funds to the citizens' clean elections fund and shall turn
10 over all money in the candidate's authorized committee account to the
11 citizens' clean elections fund.

12 (5) All civil penalties collected under this section will be
13 deposited into the citizens' clean elections fund.

14 NEW SECTION. Sec. 116. CRIMINAL VIOLATIONS AND PENALTIES. (1) A
15 candidate, or any other person acting on behalf of a candidate, who
16 knowingly violates section 101 of this act is guilty of a gross
17 misdemeanor.

18 (2) A person who knowingly pays any thing of value or any
19 compensation for a qualifying contribution as specified under section
20 104 of this act is guilty of a gross misdemeanor.

21 (3) A person who distributes, broadcasts, or otherwise indicates
22 that a candidate is certified as a participating candidate, with
23 knowledge that this certification has not been made or if made has been
24 rescinded, is guilty of a gross misdemeanor.

25 NEW SECTION. Sec. 117. INFLATION AND OTHER ADJUSTMENTS OF DOLLAR
26 VALUES. (1) Every two years, the commission shall modify the dollar
27 values specified in the following sections, in the manner specified by
28 RCW 42.17.370 to account for inflation: (a) Section 101(1)(b) of this
29 act; (b) section 103(1) (a) and (b) of this act; (c) section 105(3) of
30 this act; (d) "primary election spending limits" and "general election
31 spending limits"; (e) section 109(1) of this act; (f) section 112 of
32 this act; and (g) section 115(2) of this act. Whenever a dollar value
33 is so adjusted, these statutes will be interpreted to apply to the
34 inflation-adjusted value.

35 (2) Based on the results of the elections in the year 2002 or any
36 presidential election thereafter, and within six months after the
37 election, the commission may adopt rules reallocating funds available

1 to all candidates between the primary and general election by selecting
2 a fraction for primary spending limits that is between one-third and
3 one-half of the spending limits for the election cycle. For each
4 office, the primary election spending limit will be modified to be the
5 sum of the primary and general spending limits times the selected
6 fraction, and the general election spending limit will be modified to
7 be the same sum times one less the selected fraction.

8 **Sec. 118.** RCW 42.17.020 and 1995 c 397 s 1 are each amended to
9 read as follows:

10 (1) "Adjusted spending limit" means a spending limit as further
11 adjusted to account for reported overages under section 108 of this
12 act.

13 (2) "Agency" includes all state agencies and all local agencies.
14 "State agency" includes every state office, department, division,
15 bureau, board, commission, or other state agency. "Local agency"
16 includes every county, city, town, municipal corporation, quasi-
17 municipal corporation, or special purpose district, or any office,
18 department, division, bureau, board, commission, or agency thereof, or
19 other local public agency.

20 ~~((+2))~~ (3) "Authorized committee" means the political committee
21 authorized by a candidate, or by the public official against whom
22 recall charges have been filed, to accept contributions or make
23 expenditures on behalf of the candidate or public official.

24 ~~((+3))~~ (4) "Ballot proposition" means any "measure" as defined by
25 RCW 29.01.110, or any initiative, recall, or referendum proposition
26 proposed to be submitted to the voters of the state or any municipal
27 corporation, political subdivision, or other voting constituency from
28 and after the time when the proposition has been initially filed with
29 the appropriate election officer of that constituency prior to its
30 circulation for signatures.

31 ~~((+4))~~ (5) "Benefit" means a commercial, proprietary, financial,
32 economic, or monetary advantage, or the avoidance of a commercial,
33 proprietary, financial, economic, or monetary disadvantage.

34 ~~((+5))~~ (6) "Bona fide political party" means:

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

37 (b) The governing body of the state organization of a major
38 political party, as defined in RCW 29.01.090, that is the body

1 authorized by the charter or bylaws of the party to exercise authority
2 on behalf of the state party; or

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

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

8 ~~((7)) "Treasurer" and "deputy treasurer" mean the individuals
9 appointed by a candidate or political committee, pursuant to RCW
10 42.17.050, to perform the duties specified in that section.~~

11 ~~((8))~~ (7) "Candidate" means any individual who seeks nomination for
12 election or election to public office. An individual seeks nomination
13 or election when he or she first:

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

16 (b) Announces publicly or files for office;

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

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

21 ~~((9))~~ (8) "Caucus political committee" means a political
22 committee organized and maintained by the members of a major political
23 party in the state senate or state house of representatives.

24 ~~((10))~~ (9) "Commercial advertiser" means any person who sells the
25 service of communicating messages or producing printed material for
26 broadcast or distribution to the general public or segments of the
27 general public whether through the use of newspapers, magazines,
28 television and radio stations, billboard companies, direct mail
29 advertising companies, printing companies, or otherwise.

30 ~~((11))~~ (10) "Commission" means the agency established under RCW
31 42.17.350.

32 ~~((12))~~ (11) "Compensation" unless the context requires a narrower
33 meaning, includes payment in any form for real or personal property or
34 services of any kind: PROVIDED, That for the purpose of compliance
35 with RCW 42.17.241, the term "compensation" shall not include per diem
36 allowances or other payments made by a governmental entity to reimburse
37 a public official for expenses incurred while the official is engaged
38 in the official business of the governmental entity.

1 (~~(13)~~) (12) "Continuing political committee" means a political
2 committee that is an organization of continuing existence not
3 established in anticipation of any particular election campaign.

4 (~~(14)~~) (13)(a) "Contribution" includes:

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

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

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

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

19 (b) "Contribution" does not include:

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

22 (ii) Ordinary home hospitality;

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

26 (iv) A news item, feature, commentary, or editorial in a regularly
27 scheduled news medium that is of primary interest to the general
28 public, that is in a news medium controlled by a person whose business
29 is that news medium, and that is not controlled by a candidate or a
30 political committee;

31 (v) An internal political communication primarily limited to the
32 members of or contributors to a political party organization or
33 political committee, or to the officers, management staff, or
34 stockholders of a corporation or similar enterprise, or to the members
35 of a labor organization or other membership organization;

36 (vi) The rendering of personal services of the sort commonly
37 performed by volunteer campaign workers, or incidental expenses
38 personally incurred by volunteer campaign workers not in excess of
39 fifty dollars personally paid for by the worker. "Volunteer services,"

1 for the purposes of this section, means services or labor for which the
2 individual is not compensated by any person;

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

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

10 (A) A political party or caucus political committee if the person
11 paying for the services is the regular employer of the person rendering
12 such services; or

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

17 (c) Contributions other than money or its equivalent are deemed to
18 have a monetary value equivalent to the fair market value of the
19 contribution. Services or property or rights furnished at less than
20 their fair market value for the purpose of assisting any candidate or
21 political committee are deemed a contribution. Such a contribution
22 must be reported as an in-kind contribution at its fair market value
23 and counts towards any applicable contribution limit of the provider.

24 (14) "Depository" means a bank designated by a candidate or
25 political committee under RCW 42.17.050.

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

29 (16) "Election" includes any primary, general, or special election
30 for public office and any election in which a ballot proposition is
31 submitted to the voters: PROVIDED, That an election in which the
32 qualifications for voting include other than those requirements set
33 forth in Article VI, section 1 (Amendment 63) of the Constitution of
34 the state of Washington shall not be considered an election for
35 purposes of this chapter.

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

1 (18) "Election cycle" means the period beginning on the first day
2 of December after the date of the last previous general election for
3 the office that the candidate seeks and ending on November 30th after
4 the next election for the office. In the case of a special election to
5 fill a vacancy in an office, "election cycle" means the period
6 beginning on the day the vacancy occurs and ending on November 30th
7 after the special election.

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

22 (20) "Exploratory period" means the period beginning on the day
23 after a general election and ending the day before the start of the
24 qualifying period.

25 (21) "Expressly advocates" means: (a) Conveying a communication
26 containing a phrase such as "vote for," "elect," "reelect," "support,"
27 "endorse," "cast your ballot for," "(name of candidate) in (year),"
28 "(name of candidate) for (office)," "vote against," "defeat," "reject,"
29 or a campaign slogan or words that in context can have no reasonable
30 meaning other than to advocate the election or defeat of one or more
31 clearly identified candidates; or (b) making a general public
32 communication, such as in a broadcast medium, newspaper, magazine,
33 billboard, or direct mailer referring to one or more clearly identified
34 candidates and targeted to the electorate of that candidate(s): (i)
35 That in context can have no reasonable meaning other than to advocate
36 the election or defeat of the candidate(s), as evidenced by factors
37 such as the presentation of the candidate(s) in a favorable or
38 unfavorable light, the targeting, placement, or timing of the
39 communication, or the inclusion of statements of the candidate(s) or

1 opponents, or (ii) in the sixteen-week period immediately before a
2 general election. A communication will not be considered as one that
3 "expressly advocates" merely because it presents information about the
4 voting record or position on a campaign issue of three or more
5 candidates, so long as it is not made in coordination with a candidate,
6 political party, agent of the candidate or party, or a person who is
7 coordinating with a candidate or candidate's agent.

8 (22) "Final report" means the report described as a final report in
9 RCW 42.17.080(2).

10 (~~(21)~~) (23) "General election" means the election that results in
11 the election of a person to a state office. It does not include a
12 primary.

13 (~~(22)~~) (24) "General election period" means the period beginning
14 on the day after the primary election and ending on the day of the
15 general election. For a recall election, the "general election period"
16 extends from the day after the end of the qualifying period to the day
17 of the recall election.

18 (25) "General election spending limits" means amounts fifty percent
19 greater than the amounts specified as the primary election spending
20 limits.

21 (26) "Gift," is as defined in RCW 42.52.010.

22 (~~(23)~~) (27) "Immediate family" includes the spouse, dependent
23 children, and other dependent relatives, if living in the household.
24 For the purposes of RCW 42.17.640 through 42.17.790, "immediate family"
25 means an individual's spouse, and child, stepchild, grandchild, parent,
26 stepparent, grandparent, brother, half brother, sister, or half sister
27 of the individual and the spouse of any such person and a child,
28 stepchild, grandchild, parent, stepparent, grandparent, brother, half
29 brother, sister, or half sister of the individual's spouse and the
30 spouse of any such person.

31 (~~(24)~~) (28) "Independent expenditure" means an expenditure that
32 has each of the following elements:

33 (a) It is made in support of or in opposition to a candidate for
34 office by a person who is not (i) a candidate for that office, (ii) an
35 authorized committee of that candidate for that office, (iii) a person
36 who has received the candidate's encouragement or approval to make the
37 expenditure, if the expenditure pays in whole or in part for political
38 advertising supporting that candidate or promoting the defeat of any
39 other candidate or candidates for that office, or (iv) a person with

1 whom the candidate has collaborated for the purpose of making the
2 expenditure, if the expenditure pays in whole or in part for political
3 advertising supporting that candidate or promoting the defeat of any
4 other candidate or candidates for that office;

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

9 (c) The expenditure, alone or in conjunction with another
10 expenditure or other expenditures of the same person in support of or
11 opposition to that candidate, has a value of five hundred dollars or
12 more. A series of expenditures, each of which is under five hundred
13 dollars, constitutes one independent expenditure if their cumulative
14 value is five hundred dollars or more.

15 (~~(25)~~) (29)(a) "Intermediary" means an individual who transmits
16 a contribution to a candidate or committee from another person unless
17 the contribution is from the individual's employer, immediate family as
18 defined for purposes of RCW 42.17.640 through 42.17.790, or an
19 association to which the individual belongs.

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

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

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

27 (~~(26)~~) (30) "Legislation" means bills, resolutions, motions,
28 amendments, nominations, and other matters pending or proposed in
29 either house of the state legislature, and includes any other matter
30 that may be the subject of action by either house or any committee of
31 the legislature and all bills and resolutions that, having passed both
32 houses, are pending approval by the governor.

33 (~~(27)~~) (31) "Lobby" and "lobbying" each mean attempting to
34 influence the passage or defeat of any legislation by the legislature
35 of the state of Washington, or the adoption or rejection of any rule,
36 standard, rate, or other legislative enactment of any state agency
37 under the state Administrative Procedure Act, chapter 34.05 RCW.
38 Neither "lobby" nor "lobbying" includes an association's or other

1 organization's act of communicating with the members of that
2 association or organization.

3 ~~((+28+))~~ (32) "Lobbyist" includes any person who lobbies either in
4 his or her own or another's behalf.

5 ~~((+29+))~~ (33) "Lobbyist's employer" means the person or persons by
6 whom a lobbyist is employed and all persons by whom he or she is
7 compensated for acting as a lobbyist.

8 ~~((+30+))~~ (34) "Nonparticipating candidate" means a candidate who
9 does not become certified as a participating candidate under section
10 102 of this act and the authorized committee of the candidate.

11 (35) "Participating candidate" means a candidate who becomes
12 certified as a participating candidate under section 102 of this act
13 and the authorized committee of the candidate.

14 (36) "Person" includes an individual, partnership, joint venture,
15 public or private corporation, association, federal, state, or local
16 governmental entity or agency however constituted, candidate,
17 committee, political committee, political party, executive committee
18 thereof, or any other organization or group of persons, however
19 organized.

20 ~~((+31+))~~ (37) "Person in interest" means the person who is the
21 subject of a record or any representative designated by that person,
22 except that if that person is under a legal disability, the term
23 "person in interest" means and includes the parent or duly appointed
24 legal representative.

25 ~~((+32+))~~ (38) "Political advertising" includes any advertising
26 displays, newspaper ads, billboards, signs, brochures, articles,
27 tabloids, flyers, letters, radio or television presentations, or other
28 means of mass communication, used for the purpose of appealing,
29 directly or indirectly, for votes or for financial or other support in
30 any election campaign.

31 ~~((+33+))~~ (39) "Political committee" means any person (except a
32 candidate or an individual dealing with his or her own funds or
33 property) having the expectation of receiving contributions or making
34 expenditures in support of, or opposition to, any candidate or any
35 ballot proposition.

36 ~~((+34+))~~ (40) "Primary" means the procedure for nominating a
37 candidate to state office under chapter 29.18 or 29.21 RCW or any other
38 primary for an election that uses, in large measure, the procedures
39 established in chapter 29.18 or 29.21 RCW.

1 (~~(35)~~) (41) "Primary election spending limits" means: (a) For a
2 candidate for the legislature, ten thousand dollars; and (b) for a
3 candidate for governor, three hundred eighty thousand dollars.

4 (42) "Primary period" means the nine-week period ending on the day
5 of the primary election. There is no "primary period" for a recall
6 election.

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

10 (~~(36)~~) (44) "Public record" includes any writing containing
11 information relating to the conduct of government or the performance of
12 any governmental or proprietary function prepared, owned, used, or
13 retained by any state or local agency regardless of physical form or
14 characteristics. For the office of the secretary of the senate and the
15 office of the chief clerk of the house of representatives, public
16 records means legislative records as defined in RCW 40.14.100 and also
17 means the following: All budget and financial records; personnel
18 leave, travel, and payroll records; records of legislative sessions;
19 reports submitted to the legislature; and any other record designated
20 a public record by any official action of the senate or the house of
21 representatives.

22 (~~(37)~~) (45) "Qualifying period" means the period beginning on the
23 first day of August in the year before an election, for an election for
24 governor, or on the first day of January of an election year, for an
25 election for legislator, and ending on the close of the regular filing
26 period for the office. For a recall election, the "qualifying period"
27 begins when the election is called and lasts for thirty days.

28 (46) "Recall campaign" means the period of time beginning on the
29 date of the filing of recall charges under RCW 29.82.015 and ending
30 thirty days after the recall election.

31 (~~(38)~~) (47) "State legislative office" means the office of a
32 member of the state house of representatives or the office of a member
33 of the state senate.

34 (~~(39)~~) (48) "State office" means state legislative office or the
35 office of governor, lieutenant governor, secretary of state, attorney
36 general, commissioner of public lands, insurance commissioner,
37 superintendent of public instruction, state auditor, or state
38 treasurer.

1 (~~(40)~~) (49) "State official" means a person who holds a state
2 office.

3 (~~(41)~~) (50) "Surplus funds" mean, in the case of a political
4 committee or candidate, the balance of contributions that remain in the
5 possession or control of that committee or candidate subsequent to the
6 election for which the contributions were received, and that are in
7 excess of the amount necessary to pay remaining debts incurred by the
8 committee or candidate prior to that election. In the case of a
9 continuing political committee, "surplus funds" mean those
10 contributions remaining in the possession or control of the committee
11 that are in excess of the amount necessary to pay all remaining debts
12 when it makes its final report under RCW 42.17.065.

13 (~~(42)~~) (51) "Treasurer" and "deputy treasurer" mean the
14 individuals appointed by a candidate or political committee, under RCW
15 42.17.050, to perform the duties specified in that section.

16 (52) "Writing" means handwriting, typewriting, printing,
17 photostating, photographing, and every other means of recording any
18 form of communication or representation, including, but not limited to,
19 letters, words, pictures, sounds, or symbols, or combination thereof,
20 and all papers, maps, magnetic or paper tapes, photographic films and
21 prints, motion picture, film and video recordings, magnetic or punched
22 cards, discs, drums, diskettes, sound recordings, and other documents
23 including existing data compilations from which information may be
24 obtained or translated.

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

27 **Sec. 119.** RCW 34.05.310 and 1995 c 403 s 301 are each amended to
28 read as follows:

29 (1) To meet the intent of providing greater public access to
30 administrative rule making and to promote consensus among interested
31 parties, agencies shall solicit comments from the public on a subject
32 of possible rule making before filing with the code reviser a notice of
33 proposed rule making under RCW 34.05.320. The agency shall prepare a
34 statement of inquiry that:

35 (a) Identifies the specific statute or statutes authorizing the
36 agency to adopt rules on this subject;

37 (b) Discusses why rules on this subject may be needed and what they
38 might accomplish;

1 (c) Identifies other federal and state agencies that regulate this
2 subject, and describes the process whereby the agency would coordinate
3 the contemplated rule with these agencies;

4 (d) Discusses the process by which the rule might be developed,
5 including, but not limited to, negotiated rule making, pilot rule
6 making, or agency study;

7 (e) Specifies the process by which interested parties can
8 effectively participate in the decision to adopt a new rule and
9 formulation of a proposed rule before its publication.

10 The statement of inquiry shall be filed with the code reviser for
11 publication in the state register at least thirty days before the date
12 the agency files notice of proposed rule making under RCW 34.05.320 and
13 shall be sent to any party that has requested receipt of the agency's
14 statements of inquiry.

15 (2) Agencies are encouraged to develop and use new procedures for
16 reaching agreement among interested parties before publication of
17 notice and the adoption hearing on a proposed rule. Examples of new
18 procedures include, but are not limited to:

19 (a) Negotiated rule making by which representatives of an agency
20 and of the interests that are affected by a subject of rule making,
21 including, where appropriate, county and city representatives, seek to
22 reach consensus on the terms of the proposed rule and on the process by
23 which it is negotiated; and

24 (b) Pilot rule making which includes testing the feasibility of
25 complying with or administering draft new rules or draft amendments to
26 existing rules through the use of volunteer pilot groups in various
27 areas and circumstances, as provided in RCW 34.05.313 or as otherwise
28 provided by the agency.

29 (3)(a) An agency must make a determination whether negotiated rule
30 making, pilot rule making, or another process for generating
31 participation from interested parties prior to development of the rule
32 is appropriate.

33 (b) An agency must include a written justification in the rule-
34 making file if an opportunity for interested parties to participate in
35 the rule-making process prior to publication of the proposed rule has
36 not been provided.

37 (4) This section does not apply to:

38 (a) Emergency rules adopted under RCW 34.05.350;

1 (b) Rules relating only to internal governmental operations that
2 are not subject to violation by a nongovernment party;

3 (c) Rules adopting or incorporating by reference without material
4 change federal statutes or regulations, Washington state statutes,
5 rules of other Washington state agencies, shoreline master programs
6 other than those programs governing shorelines of state-wide
7 significance, or, as referenced by Washington state law, national
8 consensus codes that generally establish industry standards, if the
9 material adopted or incorporated regulates the same subject matter and
10 conduct as the adopting or incorporating rule;

11 (d) Rules that only correct typographical errors, make address or
12 name changes, or clarify language of a rule without changing its
13 effect;

14 (e) Rules the content of which is explicitly and specifically
15 dictated by statute;

16 (f) Rules that set or adjust fees or rates pursuant to legislative
17 standards; ((or))

18 (g) Rules that adopt, amend, or repeal:

19 (i) A procedure, practice, or requirement relating to agency
20 hearings; or

21 (ii) A filing or related process requirement for applying to an
22 agency for a license or permit; or

23 (h) Rules adopted under section 113 of this act.

24 **Sec. 120.** RCW 42.36.040 and 1982 c 229 s 4 are each amended to
25 read as follows:

26 Prior to declaring as a candidate for public office or while
27 campaigning for public office as defined by RCW 42.17.020 (~~((5) and~~
28 ~~(25))~~) no public discussion or expression of an opinion by a person
29 subsequently elected to a public office, on any pending or proposed
30 quasi-judicial actions, shall be a violation of the appearance of
31 fairness doctrine.

32 **PART II--POLITICAL ADVERTISING**

33 **Sec. 201.** RCW 42.17.080 and 1999 c 401 s 13 are each amended to
34 read as follows:

35 (1) On the day the treasurer is designated, each candidate or
36 political committee shall file a report of all contributions received

1 and expenditures made before that date, if any, with the commission and
2 the appropriate county ((auditor or)) elections officer ((of the county
3 in which the candidate resides, or in the case of a political
4 committee, the county in which the treasurer resides)), as specified
5 under section 204 of this act. This report is in addition to any
6 statement of organization required under RCW 42.17.040 or 42.17.050((
7 a report of all contributions received and expenditures made prior to
8 that date, if any)).

9 (2) At the following intervals each ((treasurer)) candidate or
10 political committee shall file a report containing the information and
11 requirements of RCW 42.17.090 with the commission and the appropriate
12 county ((auditor or)) elections officer ((of the county in which the
13 candidate resides, or in the case of a political committee, the county
14 in which the committee maintains its office or headquarters, and if
15 there is no office or headquarters then in the county in which the
16 treasurer resides, a report containing the information required by RCW
17 42.17.090)), as specified under section 204 of this act:

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

20 (b) On the tenth day of the first month after the election((PROVIDED, That)), but
21 this report ((shall)) is not ((be)) required
22 following a primary ((election)) from:

23 (i) A candidate whose name will appear on the subsequent general
24 election ballot; or

25 (ii) Any continuing political committee; and

26 (c) On the tenth day of each month in which no other reports are
27 required to be filed under this section((PROVIDED, That such)).

28 However, the report ((shall only)) required by this subsection (2)
29 must be filed only if the candidate or political committee has received
30 a contribution or made an expenditure in the preceding calendar month
31 and either the total contributions received or total expenditures made
32 since the last such report exceed two hundred dollars.

33 The candidate or political committee shall file a final report with
34 the commission and the appropriate county elections officer, as
35 specified under section 204 of this act, when there is no outstanding
36 debt or obligation, and all the ((campaign fund is)) candidate's or
37 political committee's accounts are closed, and either the candidate's
38 campaign is concluded in all respects, ((and)) or in the case of a
39 political committee, the committee has ceased to function and has

1 dissolved(~~(, the treasurer shall file a final report)~~). Upon
2 submitting a final report, the duties of the treasurer shall cease and
3 there shall be no obligation to make any further reports.

4 The report filed twenty-one days before the election (~~(shall)~~) by
5 a candidate, or by a political committee that has not made a political
6 advertisement relating to a candidate undertaken as an independent
7 expenditure, must report all contributions received and expenditures
8 made as of the end of the fifth (~~(business)~~) day before the date of the
9 report. The report filed twenty-one days before the election by a
10 political committee that made a political advertisement relating to a
11 candidate undertaken as an independent expenditure must report all
12 contributions received and expenditures made as of the end of the last
13 business day before the date of the report. The report filed seven
14 days before the election (~~(shall)~~) by a candidate or political
15 committee must report all contributions received and expenditures made
16 as of the end of the (~~(one business)~~) day before the date of the
17 report. Reports filed on the tenth day of the month shall report all
18 contributions received and expenditures made from the closing date of
19 the last report filed through the last day of the month preceding the
20 date of the current report.

21 (3) For the period beginning the first day of the fourth month
22 preceding the date on which the (~~(special or general)~~) election is held
23 and ending on the date of that election, each Friday the (~~(treasurer)~~)
24 candidate or political committee shall file with the commission and the
25 appropriate county elections officer, as specified under section 204 of
26 this act, a report of each (~~(bank deposit made)~~) contribution received
27 during the previous seven calendar days. (~~(The report shall contain~~
28 the name of each person contributing the funds so deposited and the
29 amount contributed by each person. However, contributions of no more
30 than twenty-five dollars in the aggregate from any one person may be
31 deposited without identifying the contributor.)

32 (4) A copy of (~~(the)~~) each report (~~(shall)~~) required to be filed by
33 a candidate or political committee under this chapter must be retained
34 by the treasurer (~~(for his or her)~~) as part of the candidate's or
35 political committee's records. (~~(In the event of deposits made by a~~
36 deputy treasurer, the copy shall be forwarded to the treasurer for his
37 or her records. Each report shall be certified as correct by the
38 treasurer or deputy treasurer making the deposit.

39 (~~(4) The treasurer or~~)

1 (5) The candidate or political committee shall ~~((maintain))~~ have
2 books of account maintained that accurately ~~((reflecting))~~ reflect all
3 contributions and expenditures on a current basis within ~~((five~~
4 ~~business days))~~ one day of receipt or expenditure. During the eight
5 days immediately preceding the date of the election the books of
6 account ~~((shall))~~ for a candidate, and a political committee that has
7 not made a political advertisement relating to a candidate as an
8 independent expenditure, must be kept current within one ~~((business))~~
9 day. As specified in the committee's statement of organization filed
10 under RCW 42.17.040, the books of account must be open for public
11 inspection as follows:

12 (a) For at least two consecutive hours on the eighth day
13 immediately before the election, between 8:00 a.m. and 8:00 p.m., as
14 specified in the committee's statement of organization filed pursuant
15 to RCW 42.17.040, at the principal headquarters or, if there is no
16 headquarters, at the address of the treasurer or such other place as
17 may be authorized by the commission; and

18 (b) By appointment for inspections to be conducted at the
19 designated place for inspections between 8:00 a.m. and 8:00 p.m. on any
20 other day from the seventh day through the day immediately before the
21 election, other than Saturday, Sunday, or a legal holiday. It is a
22 violation of this chapter for a candidate or political committee to
23 refuse to allow and keep an appointment for an inspection to be
24 conducted during these authorized times and days in the week prior to
25 the election. The appointment must be allowed at an authorized time
26 and day for such inspections that is within twenty-four hours of the
27 time and day that is requested for the inspection.

28 ~~((+5))~~ (6) During the twenty-one days immediately before the date
29 of an election, a political committee that made a political
30 advertisement relating to a candidate undertaken as an independent
31 expenditure shall keep its books of account current within one business
32 day and shall keep them open for public inspection for at least two
33 consecutive hours Monday through Friday, excluding legal holidays,
34 between 8:00 a.m. and 8:00 p.m., as specified in the committee's
35 statement of organization filed under RCW 42.17.040, at the principal
36 headquarters or, if there is no headquarters, at the address of the
37 treasurer or such other place as may be authorized by the commission.

38 (7) The ~~((treasurer or))~~ candidate or political committee shall
39 preserve books of account, bills, receipts, and all other financial

1 records of the campaign or political committee for not less than five
2 calendar years following the year during which the transaction
3 occurred.

4 ~~((6) All reports filed pursuant to subsections (1) or (2) of this~~
5 ~~section shall be certified as correct by the candidate and the~~
6 ~~treasurer.~~

7 ~~(7))~~ (8) Copies of all reports filed pursuant to this section
8 shall be readily available for public inspection for at least two
9 consecutive hours Monday through Friday, excluding legal holidays,
10 between 8:00 a.m. and 8:00 p.m., as specified in the committee's
11 statement of organization filed pursuant to RCW 42.17.040, at the
12 principal headquarters or, if there is no headquarters, at the address
13 of the treasurer or such other place as may be authorized by the
14 commission.

15 ~~((8))~~ (9) The commission shall adopt administrative rules
16 establishing requirements for filer participation in any system
17 designed and implemented by the commission for the electronic filing of
18 reports.

19 **Sec. 202.** RCW 42.17.065 and 1989 c 280 s 5 are each amended to
20 read as follows:

21 (1) In addition to the provisions of this section, a continuing
22 political committee shall file and report on the same conditions and at
23 the same times as any other committee in accordance with the provisions
24 of RCW 42.17.040, 42.17.050, and 42.17.060.

25 (2) A continuing political committee shall file with the commission
26 and the ~~((auditor or))~~ appropriate county elections officer ~~((of the~~
27 ~~county in which the committee maintains its office or headquarters and~~
28 ~~if there is no such office or headquarters then in the county in which~~
29 ~~the committee treasurer resides))~~, as provided under section 204 of
30 this act, a report on the tenth day of the month detailing its
31 activities for the preceding calendar month in which the committee has
32 received a contribution or made an expenditure ~~((: PROVIDED, That such~~
33 ~~report shall only))~~. However, the report must be filed only if either
34 the total contributions received or total expenditures made since the
35 last such report exceed two hundred dollars. The report shall be on a
36 form supplied by the commission and shall include the following
37 information:

38 (a) The information and requirements required by RCW 42.17.090;

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

3 (c) Such other information as the commission shall by rule
4 prescribe.

5 (3) If a continuing political committee shall make a contribution
6 in support of or in opposition to a candidate or ballot proposition
7 within sixty days prior to the date on which such candidate or ballot
8 proposition will be voted upon, such continuing political committee
9 shall report pursuant to RCW 42.17.080.

10 (4) A continuing political committee shall file reports as required
11 by this chapter until it is dissolved, at which time a final report
12 shall be filed. Upon submitting a final report, the duties of the
13 (~~campaign~~) committee treasurer shall cease and there shall be no
14 obligation to make any further reports.

15 (5) The (~~campaign~~) committee treasurer shall maintain books of
16 account accurately reflecting all contributions and expenditures on a
17 current basis within (~~five business days~~) one day of receipt or
18 expenditure. During the eight days immediately preceding the date of
19 any election, for which the continuing political committee has received
20 any contributions or made any expenditures, the books of account shall
21 be kept current within one (~~business~~) day and shall be open for
22 public inspection for at least two consecutive hours Monday through
23 Friday, excluding legal holidays, between 8:00 a.m. and 8:00 p.m., as
24 specified in the committee's statement of organization filed pursuant
25 to RCW 42.17.040, at the principal campaign headquarters or, if there
26 is no campaign headquarters, at the address of the (~~campaign~~)
27 committee treasurer or such other place as may be authorized by the
28 commission. In addition, a continuing political committee may be
29 subject to additional requirements provided under RCW 42.17.080.

30 (6) All reports filed pursuant to this section shall be certified
31 as correct by the (~~campaign~~) committee treasurer.

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

36 **Sec. 203.** RCW 42.17.090 and 1993 c 256 s 6 are each amended to
37 read as follows:

1 (1) Each report required under RCW 42.17.065, 42.17.080 (~~((1) and~~
2 ~~(2) shall~~)), and 42.17.135 must disclose the following:

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

4 (b) The name and address of each person who has made one or more
5 contributions during the period, together with the money value and date
6 of such contributions and the aggregate value of all contributions
7 received from each such person during the campaign or in the case of a
8 continuing political committee, the current calendar year(~~(: PROVIDED,~~
9 ~~That)~~). However, (i) pledges in the aggregate of less than one
10 hundred dollars from any one person need not be reported(~~(: PROVIDED~~
11 ~~FURTHER, That the)~~); (ii) income which results from a fund-raising
12 activity conducted in accordance with RCW 42.17.067 may be reported as
13 one lump sum, with the exception of that portion of such income which
14 was received from persons whose names and addresses are required to be
15 included in the report required by RCW 42.17.067(~~(: PROVIDED FURTHER,~~
16 ~~That)~~); (iii) contributions of no more than twenty-five dollars in the
17 aggregate from any one person during the election campaign may be
18 reported as one lump sum so long as the campaign treasurer maintains a
19 separate and private list of the name, address, and amount of each such
20 contributor(~~(: PROVIDED FURTHER, That)~~); and (iv) the money value of
21 contributions of postage shall be the face value of such postage;

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

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

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

31 (f) The name and address of each person to whom an expenditure was
32 made in the aggregate amount of more than fifty dollars during the
33 period covered by this report, and the amount, date, and purpose of
34 each such expenditure. A candidate for state (~~executive or state~~
35 ~~legislative~~) office (~~or the political committee of such a candidate~~)
36 shall report this information for an expenditure under one of the
37 following categories, whichever is appropriate: (i) Expenditures for
38 the election of the candidate; (ii) expenditures for nonreimbursed
39 public office-related expenses; (iii) expenditures required to be

1 reported under (e) of this subsection; or (iv) expenditures of surplus
2 funds and other expenditures. The report of such a candidate or
3 committee shall contain a separate total of expenditures for each
4 category and a total sum of all expenditures. Other candidates and
5 political committees need not report information regarding expenditures
6 under the categories listed in (i) through (iv) of this subsection or
7 under similar such categories unless required to do so by the
8 commission by rule. The report of such an other candidate or committee
9 shall also contain the total sum of all expenditures;

10 (g) The name and address of each person to whom any expenditure was
11 made directly or indirectly to compensate the person for soliciting or
12 procuring signatures on an initiative or referendum petition, the
13 amount of such compensation to each such person, and the total of the
14 expenditures made for this purpose. Such expenditures shall be
15 reported under this subsection (1)(g) whether the expenditures are or
16 are not also required to be reported under (f) of this subsection;

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

21 (i) The surplus or deficit of contributions over expenditures;

22 (j) The disposition made in accordance with RCW 42.17.095 of any
23 surplus funds;

24 (k) Such other information as shall be required by the commission
25 by rule in conformance with the policies and purposes of this chapter;
26 and

27 (l) Funds received from a political committee not otherwise
28 required to report under this chapter (a "nonreporting committee").
29 Such funds shall be forfeited to the state of Washington unless the
30 nonreporting committee has filed or within ten days following such
31 receipt files with the commission a statement disclosing: (i) Its name
32 and address; (ii) the purposes of the nonreporting committee; (iii) the
33 names, addresses, and titles of its officers or if it has no officers,
34 the names, addresses, and titles of its responsible leaders; (iv) the
35 name, office sought, and party affiliation of each candidate in the
36 state of Washington whom the nonreporting committee is supporting, and,
37 if such committee is supporting the entire ticket of any party, the
38 name of the party; (v) the ballot proposition supported or opposed in
39 the state of Washington, if any, and whether such committee is in favor

1 of or opposed to such proposition; (vi) the name and address of each
2 person residing in the state of Washington or corporation which has a
3 place of business in the state of Washington who has made one or more
4 contributions in the aggregate of more than twenty-five dollars to the
5 nonreporting committee during the current calendar year, together with
6 the money value and date of such contributions; (vii) the name and
7 address of each person in the state of Washington to whom an
8 expenditure was made by the nonreporting committee on behalf of a
9 candidate or political committee in the aggregate amount of more than
10 fifty dollars, the amount, date, and purpose of such expenditure, and
11 the total sum of such expenditures; (viii) such other information as
12 the commission may prescribe by rule, in keeping with the policies and
13 purposes of this chapter. A nonreporting committee incurring an
14 obligation to file additional reports in a calendar year may satisfy
15 the obligation by filing with the commission a letter providing
16 updating or amending information.

17 (2) Both the treasurer and the candidate, or the chief officer or
18 leader for a political committee, shall certify the correctness of each
19 report.

20 NEW SECTION. Sec. 204. A new section is added to chapter 42.17
21 RCW to read as follows:

22 Every statement of organization, report, or other filing required
23 by this chapter to be filed by a candidate or political committee must
24 be filed with the commission and the appropriate county elections
25 officer. The appropriate county elections officer for a candidate is
26 the county auditor or other elections officer of the county in which
27 the candidate resides. The appropriate county elections officer for a
28 political committee is the county auditor or other elections officer of
29 the county in which the committee maintains its office or headquarters,
30 and if there is no office or headquarters, then in the county in which
31 the treasurer resides.

32 **Sec. 205.** RCW 42.17.510 and 1995 c 397 s 19 are each amended to
33 read as follows:

34 (1) All written political advertising, whether relating to
35 candidates or ballot propositions, shall include the sponsor's name and
36 address. All radio and television political advertising, whether
37 relating to candidates or ballot propositions, shall include the

1 sponsor's name. The use of an assumed name shall be unlawful. The
2 party with which a candidate files shall be clearly identified in
3 political advertising for partisan office.

4 (2) In addition (~~to the materials required by subsection (1) of~~
5 ~~this section~~)), all political advertising relating to a candidate
6 undertaken as an independent expenditure (~~by a person or entity other~~
7 ~~than a party organization~~)) must include the following statement on the
8 communication "NOTICE TO VOTERS (Required by law): This advertisement
9 is an independent expenditure of funds not authorized or approved by
10 any candidate. There are no limits on the amount of independent
11 expenditures that may be made or on the amount of any contribution for
12 an independent expenditure. It is paid for by (name, address, city,
13 state)." If (~~the~~) an advertisement relating to a candidate
14 undertaken as an independent expenditure is undertaken by a
15 nonindividual (~~other than a party organization~~), then the notice must
16 (a) disclose the general nature of the interests represented by the
17 nonindividual, as determined by the commission under section 206 of
18 this act, immediately after the name of the nonindividual; and (b)
19 include the following notation (~~must also be included~~): "Top Five
20 Contributors," followed by a listing of the name(~~s~~) of each of the
21 five (~~persons~~) individuals or entities making the largest
22 contributions reportable under this chapter during the twelve-month
23 period before the date of the advertisement. The nature of interests
24 represented by each entity making such a contribution, as determined by
25 the commission under section 206 of this act, must be disclosed
26 immediately after the name of the entity.

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

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

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

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

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

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

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

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

7 NEW SECTION. **Sec. 206.** A new section is added to chapter 42.17
8 RCW to read as follows:

9 The commission shall assign a brief descriptive phrase indicating
10 the general nature of interests represented by each nonindividual
11 paying for advertisements relating to a candidate undertaken as
12 independent expenditures. As provided under RCW 42.17.510, this phrase
13 must be included immediately after the name of the nonindividual in
14 each advertisement relating to a candidate that the nonindividual
15 undertakes as an independent contribution.

16 The commission shall assign a brief descriptive phrase indicating
17 the general nature of interests represented by each entity making a
18 contribution to a nonindividual for advertisements relating to a
19 candidate that are undertaken as independent expenditures. As provided
20 under RCW 42.17.510, this phrase must be included immediately after the
21 name of each entity listed as one of the top five contributors to the
22 nonindividual making the advertisement.

23 **Sec. 207.** RCW 42.17.040 and 1989 c 280 s 2 are each amended to
24 read as follows:

25 (1) Every political committee, within two weeks after its
26 organization or, within two weeks after the date when it first has the
27 expectation of receiving contributions or making expenditures in any
28 election campaign, whichever is earlier, shall file a statement of
29 organization with the commission and with the county auditor or
30 elections officer of the county in which the candidate resides, or in
31 the case of any other political committee, the county in which the
32 treasurer resides. A political committee organized within the last
33 three weeks before an election and having the expectation of receiving
34 contributions or making expenditures during and for that election
35 campaign shall file a statement of organization within three
36 (~~business~~) days after its organization or when it first has the

1 expectation of receiving contributions or making expenditures in the
2 election campaign.

3 (2) The statement of organization shall include but not be limited
4 to:

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

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

8 (c) The names, addresses, and titles of its officers; or if it has
9 no officers, the names, addresses, and titles of its responsible
10 leaders;

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

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

13 (f) The name, office sought, and party affiliation of each
14 candidate whom the committee is supporting or opposing, and, if the
15 committee is supporting the entire ticket of any party, the name of the
16 party;

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

19 (h) The general nature of the interest or interests represented by
20 the political committee;

21 (i) What distribution of surplus funds will be made, in accordance
22 with RCW 42.17.095, in the event of dissolution;

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

26 ~~((j))~~ (k) Such other information as the commission may ~~((by~~
27 ~~regulation))~~ prescribe by rule, in keeping with the policies and
28 purposes of this chapter.

29 (3) Any material change in information previously submitted in a
30 statement of organization shall be reported to the commission and to
31 the appropriate county elections officer within the ten days following
32 the change.

33 **Sec. 208.** RCW 42.17.105 and 1995 c 397 s 4 are each amended to
34 read as follows:

35 (1) ~~((Campaign treasurers))~~ During the special reporting period for
36 a candidate, a candidate shall prepare and deliver to the commission
37 and the appropriate county elections officer, as specified under
38 section 204 of this act, a special report regarding any contribution or

1 an aggregate of contributions (~~((which*))~~) that is received from a single
2 person if the contribution or aggregate of contributions exceeds five
3 hundred dollars(~~(; is from a single person or entity; and is received~~
4 during a special reporting period)).

5 ~~((Any))~~ During the special reporting period for a political
6 committee, a political committee (~~((making))~~) shall prepare and deliver
7 to the commission and the appropriate county elections officer, as
8 specified under section 204 of this act, a special report regarding a
9 contribution or an aggregate of contributions it makes to a single
10 (~~((entity which))~~) candidate or political committee if the contribution
11 or an aggregate of contributions exceeds five hundred dollars (~~((shall~~
12 also prepare and deliver to the commission the special report if the
13 contribution or aggregate of contributions is made during a special
14 reporting period)). During the special reporting period for a
15 political committee, a candidate or political committee that receives
16 a contribution or an aggregate of contributions from a single person
17 that exceeds five hundred dollars, shall prepare and deliver a special
18 report on the contribution or contributions to the commission and the
19 appropriate county elections officer, as specified under section 204 of
20 this act.

21 For the purposes of subsections (1) through (7) of this section:

22 (a) Each of the following intervals is a special reporting period
23 for a candidate or an authorized committee: (i) The interval beginning
24 after the period covered by the last report required by RCW 42.17.080
25 and 42.17.090 to be filed before a primary and concluding on the end of
26 the day before that primary; and (ii) the interval composed of the
27 twenty-one days preceding a general election and concluding on the end
28 of the day before that general election; (~~((and))~~)

29 (b) Each of the following intervals is a special reporting period
30 for any other political committee: (i) The interval composed of forty
31 days before a primary and the end of the day before that primary; and
32 (ii) the interval composed of forty days before a general election and
33 the end of the day before that general election; and

34 (c) An aggregate of contributions includes only those contributions
35 received from a single (~~((entity))~~) person during any one special
36 reporting period or made by the contributing political committee to a
37 single (~~((entity))~~) person during any one special reporting period.

38 (2) If a (~~((campaign treasurer))~~) candidate or political committee
39 files a special report under this section for one or more contributions

1 received from a single ((entity)) person during a special reporting
2 period, the ((treasurer)) candidate or political committee shall also
3 file a special report under this section for each subsequent
4 contribution of any size ((which)) that is received from ((that
5 entity)) the same person during the special reporting period. If a
6 political committee files a special report under this section for a
7 contribution or contributions made to a single ((entity)) candidate or
8 political committee during a special reporting period, the political
9 committee shall also file a special report for each subsequent
10 contribution of any size ((which)) that is made to ((that entity)) the
11 same candidate or political committee during the special reporting
12 period.

13 (3) Except as provided in subsection (4) of this section, the
14 special report required by this section shall be delivered to the
15 commission electronically or in written form(~~(, including but not~~
16 ~~limited to mailgram, telegram, or nightletter)~~). The special report
17 required of a contribution recipient by subsection (1) of this section
18 shall be delivered to the commission and the appropriate county
19 elections officer within forty-eight hours of the time, or on the first
20 working day after: The contribution exceeding five hundred dollars is
21 received by the candidate or ((treasurer)) political committee; the
22 aggregate received by the candidate or ((treasurer)) political
23 committee first exceeds five hundred dollars; or the subsequent
24 contribution that must be reported under subsection (2) of this section
25 is received by the candidate or ((treasurer)) political committee. The
26 special report required of a contributor by subsection (1) of this
27 section or RCW 42.17.175 shall be delivered to the commission, the
28 appropriate county elections officer, and the candidate or political
29 committee to whom the contribution or contributions ((are)) were made,
30 within twenty-four hours of the time, or on the first working day
31 after: The contribution is made; the aggregate of contributions made
32 first exceeds five hundred dollars; or the subsequent contribution that
33 must be reported under subsection (2) of this section is made.

34 (4) The special report may be transmitted orally by telephone to
35 the commission to satisfy the delivery period required by subsection
36 (3) of this section if the written form of the report is also mailed to
37 the commission and postmarked within the delivery period established in
38 subsection (3) of this section or the file transfer date of the

1 electronic filing is within the delivery period established in
2 subsection (3) of this section.

3 (5) The special report shall include at least:

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

5 (b) The date or dates of receipt;

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

7 (d) The name and address of the recipient; ~~((and))~~

8 (e) The nature of the political committee, as determined under
9 section 206 of this act; and

10 (f) Any other information the commission may by rule require.

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

13 (7) The commission shall prepare daily a summary of the special
14 reports made under this section and RCW 42.17.175.

15 (8) It is a violation of this chapter for any person to make, or
16 for any candidate ~~((or political committee))~~ to accept from any one
17 person, contributions reportable under RCW 42.17.090 in the aggregate
18 exceeding fifty thousand dollars for any ~~((campaign))~~ candidate for
19 state-wide office or exceeding five thousand dollars for any other
20 campaign subject to the provisions of this chapter within twenty-one
21 days of ~~((a general))~~ an election. ~~((This subsection does not apply to~~
22 ~~contributions made by, or accepted from, a bona fide political party as~~
23 ~~defined in this chapter, excluding the county central committee or~~
24 ~~legislative district committee.))~~

25 (9) It is a violation of this chapter for a person to make, or for
26 any political committee that undertakes political advertising relating
27 to a candidate undertaken as an independent expenditure to accept from
28 any one person, contributions reportable under RCW 42.17.090 in the
29 aggregate exceeding twenty-five thousand dollars for a state-wide
30 office or exceeding two thousand five hundred dollars for any other
31 campaign subject to this chapter within forty days of an election.

32 (10) Contributions governed by this section include, but are not
33 limited to, contributions made or received indirectly through a third
34 party or entity whether the contributions are or are not reported to
35 the commission as earmarked contributions under RCW 42.17.135.

36 **Sec. 209.** RCW 42.17.175 and 1991 c 157 s 2 are each amended to
37 read as follows:

1 (1) Any lobbyist registered under RCW 42.17.150, any person who
2 lobbies, and any lobbyist's employer making a contribution or an
3 aggregate of contributions to a single ((entity)) candidate, political
4 committee, or bona fide political party that exceeds five hundred
5 dollars during a special reporting period before a primary or general
6 election, as such period is specified in RCW 42.17.105(1), shall file
7 one or more special reports for the contribution or aggregate of
8 contributions and for subsequent contributions made during that period
9 under the same circumstances and to the same extent that a contributing
10 political committee must file such a report or reports under RCW
11 42.17.105.

12 A person, other than a political committee, who makes a
13 contribution or aggregate of contributions to a single candidate,
14 political committee, or bona fide political party that exceeds five
15 thousand dollars during a special reporting period before a general
16 election, as that period is specified in RCW 42.17.105(1), shall file
17 one or more special reports for the contribution or aggregate of
18 contributions and for subsequent contributions made during that period
19 under the same circumstances and to the same extent that a contributing
20 political committee must file such a report or reports under RCW
21 42.17.105.

22 (2) Such a special report shall be filed in the same manner
23 provided under RCW 42.17.105 for a special report of a contributing
24 political committee.

25 NEW SECTION. Sec. 210. A new section is added to chapter 42.17
26 RCW to read as follows:

27 A copy of all political advertising relating to candidates that is
28 undertaken as an independent expenditure, and the amount that has been
29 spent to date and is proposed to be spent on this independent
30 expenditure, must be delivered to the commission at least five days
31 before the advertising is distributed or aired.

32 NEW SECTION. Sec. 211. A new section is added to chapter 42.17
33 RCW to read as follows:

34 A county, city, or town may establish a program where a candidate
35 for a local elected office voluntarily agrees to abide by limitations
36 on the amount of money the candidate, or the candidate's authorized
37 committee, spends to campaign for the office in return for receiving

1 public matching funds from the county, city, or town that are used to
2 assist in funding his or her campaign.

3

PART III--CONTRIBUTIONS

4 **Sec. 301.** RCW 42.17.680 and 1993 c 2 s 8 are each amended to read
5 as follows:

6 (1) No employer or labor organization may increase the salary of an
7 officer or employee, or give an emolument to an officer, employee, or
8 other person or entity, with the intention that the increase in salary,
9 or the emolument, or a part of it, be contributed or spent to support
10 or oppose a candidate, (~~state~~) elected official against whom recall
11 charges have been filed, political party, or political committee.

12 (2) No employer or labor organization may discriminate for or
13 against an officer or employee in the terms or conditions of employment
14 for (a) (~~the failure~~) contributing or failing to contribute to, (b)
15 (~~the failure~~) in any way failing to support or oppose, or (c) in any
16 way supporting or opposing, a candidate, elected official against whom
17 recall charges have been filed, ballot proposition, political party, or
18 political committee.

19 (3) No employer or other person or entity responsible for the
20 disbursement of funds in payment of wages or salaries may withhold or
21 divert a portion of an employee's wages or salaries for contributions
22 to a candidate, elected official against whom recall charges have been
23 filed, ballot proposition, political party, or political (~~committees~~
24 ~~or for use as political contributions~~) committee, except upon the
25 written request of the employee. The request must be made on a form
26 prescribed by the commission informing the employee of the prohibition
27 against employer and labor organization discrimination described in
28 subsection (2) of this section. The request is valid for no more than
29 twelve months from the date it is made by the employee.

30 (4) Each employer or other person (~~or entity~~) who withholds
31 contributions under subsection (3) of this section shall maintain open
32 for public inspection for a period of no less than three years, during
33 normal business hours, documents and books of accounts that shall
34 include a copy of each employee's request, the amounts and dates funds
35 were actually withheld, and the amounts and dates funds were
36 transferred to a candidate, political party, or political committee.

1 Copies of such information shall be delivered to the commission upon
2 request.

3 (5) A for-profit corporation may not make contributions, directly
4 or indirectly, to a candidate, political party, or political committee,
5 except through a separate fund made up of money solicited expressly for
6 political purposes.

7 **PART IV--MISCELLANEOUS**

8 NEW SECTION. **Sec. 401.** RCW 42.17.128 and 1993 c 2 s 24 are each
9 repealed.

10 NEW SECTION. **Sec. 402.** Sections 101 through 117 of this act shall
11 be known as the Citizens' Clean Elections Act.

12 NEW SECTION. **Sec. 403.** Sections 101 through 117 of this act are
13 each added to chapter 42.17 RCW.

14 NEW SECTION. **Sec. 404.** Captions and part headings used in this
15 act are not part of the law.

16 NEW SECTION. **Sec. 405.** If any provision of this act or its
17 application to any person or circumstance is held invalid, the
18 remainder of the act or the application of the provision to other
19 persons or circumstances is not affected.

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