

HOUSE BILL REPORT

HB 1226

As Reported by House Committee On:
State Government Operations & Accountability
Appropriations

Title: An act relating to campaign contribution limits.

Brief Description: Adjusting application of campaign contribution limits.

Sponsors: Representatives Schual-Berke, Tom, Haigh, Cody, Fromhold, Jarrett, Hudgins, Conway, Appleton, Flannigan, Murray, McCoy, Lantz, Hasegawa, Williams, Kagi, Ormsby, Morrell, Chase, Dickerson, Kenney and Sells.

Brief History:

Committee Activity:

State Government Operations & Accountability: 2/4/05, 2/16/05 [DPS];
Appropriations: 2/28/05, 3/1/05 [DPS(SGOA)].

Brief Summary of Substitute Bill

- Extends campaign contribution limits to county offices in a county that has over 200,000 registered voters; special purpose districts authorized to provide freight and passenger transfer and terminal facilities in a county that has over 200,000 registered voters; and to the Washington Supreme Court, Superior Court, and Appeals Court judges.

HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Haigh, Chair; Green, Vice Chair; Hunt, McDermott and Miloscia.

Minority Report: Do not pass. Signed by 4 members: Representatives Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Schindler and Sump.

Staff: Marsha Reilly (786-7135).

Background:

The Fair Campaign Practices Act was enacted following passage of Initiative 134 in 1992. The initiative imposed campaign contribution limits, further regulated independent expenditures, restricted the use of public funds for political purposes, and required public officials to report

gifts received in excess of \$50. The contribution limits imposed by Initiative 134 apply only to elections for statewide office and elections to state legislative office.

Contribution limits imposed on an individual, a union or business, or a political action committee are an aggregate of \$675 per election to a candidate for state legislative office, and an aggregate of \$1,350 per election to a candidate for statewide office.

Limits also apply to political parties. State party central committees, minor party committees, and legislative caucus committees may contribute an aggregate of up to \$0.68 per registered voter in the candidate's district for an election cycle. County central committees and legislative district committees may contribute an aggregate of up to \$0.34 per registered voter in the candidate's district. Contributions received from county central committees and legislative district committees combined may not exceed an amount more than \$0.34 times the number of registered voters statewide to any one candidate.

These limits are adjusted for inflation by the Public Disclosure Commission every two years.

Summary of Substitute Bill:

Campaign contribution limits are extended to apply to:

- candidates for county office in a county that have over 200,000 registered voters;
- candidates for a special purpose district office if that district is authorized to provide freight and passenger transfer and terminal facilities and that district has over 200,000 registered voters; and
- candidates for Superior Court, the Washington Supreme Court, and Court of Appeals judges.

Contribution limits imposed for applicable county offices, special purpose district offices, and Superior Court judges may not exceed an aggregate of \$675 per election and for offices for the Washington Supreme Court and Court of Appeals an aggregate of \$1,350 per election from an individual, a union or business, or a Political Action Committee. Political party contribution limits also apply.

Changes were made to update the monetary limits for inflation, as provided for in RCW 42.17.690.

Contributions to candidates for whom the new limits apply that are received before the effective date of the act are considered to be contributions for the purposes of campaign contribution limits statutes. Contributions that exceed the limitations and have not been spent by the recipient by the effective date of this Act must be disposed of in accordance with RCW 42.17.095, disposal of surplus funds, except that it may not be held by the candidate for a future election or be used for non-reimbursement related expenses.

Substitute Bill Compared to Original Bill:

The substitute bill makes clear that contributions received by candidates for office, other than state office before the effective date of the Act, are considered for purposes of contribution limits. Contributions that exceed the limits, and not spent, may be disposed of according to the surplus fund provisions except, that the funds cannot be used as surplus in a campaign depository or used for non-reimbursed public office-related expenses.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: State legislative and statewide candidates were subjected to contribution limits because the public did not want their elected officials affected by undue influence. There has been a growth in contributions to these offices that people could interpret as undue influence. The playing field needs to be leveled. It is time to update the contribution limits law after 20 plus years because of excess contributions and an appearance of undue influence. The King County Bar Association supports the bill. There have been instances in other states where judges have not recused themselves in cases before them in which they had received campaign contributions. This bill adopts recommendations made by the Walsh Commission. Of the states that elect judges, only four do not set limits for judges. The Washington State Bar Association, Municipal League of King County, the Washington Defense Trial Lawyers Association and the Washington State Trial Lawyers Association all agree that this is a good government measure in that it preserves public confidence and the non-partisanship in our courts. Currently, Washington limits campaign contributions to candidates running for state legislative offices and statewide executive offices, and some counties have chosen to self-regulate contribution amounts for county offices. These laws have been enacted due to the potential for undue influence from individuals and groups making large campaign contributions. Additionally, real or perceived influence threatens public confidence in government. It is essential that we protect the election process and our government by limiting campaign contributions to candidates for any office for which the realistic potential for this problem exists. Washington State Bar Association supports section 2 of the bill. Lawyers would not impune the integrity of judges. The cornerstone of our democracy is an unfettered judicial system. While contributions at the non-partisan level may not affect decisions, the appearance of impropriety exists.

Testimony Against: None.

Persons Testifying: Representative Schual-Burke, prime sponsor; Mark Johnson, Washington State Bar Association; John Ruhl, King County Bar Association; and Tim Layton, Washington Defense Trial Lawyers.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on State Government Operations & Accountability be substituted therefor and the substitute bill do pass. Signed by 17 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, McIntire, Miloscia and Schual-Berke.

Minority Report: Do not pass. Signed by 11 members: Representatives Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Bailey, Buri, Clements, Hinkle, Pearson, Priest, Talcott and Walsh.

Staff: Owen Rowe (786-7391).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On State Government Operations & Accountability:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect immediately.

Testimony For: Judicial races were originally excluded from campaign contribution limits because they were not high priced campaigns. King and Snohomish counties have acknowledged the high cost of recent judicial races and have imposed their own limits that are similar to this bill. Campaign limits on judicial races exist in most states. This bill has broad support and will enhance and preserve public's confidence of the court system.

Testimony Against: None.

Persons Testifying: Representative Schual-Berke, prime sponsor; Charlie Wiggins, American Judicature Society; John Ruhl, King County Bar Association; and Lish Whitson, Washington State Bar Association.

Persons Signed In To Testify But Not Testifying: None.