
**State Government Operations &
Accountability Committee**

ESSB 5140

Brief Description: Modifying the disposal of surplus funds of candidates or political committees.

Sponsors: Senate Committee on Government Operations & Elections (originally sponsored by Senators Berkey, Kastama and Kohl-Welles).

Brief Summary of Engrossed Substitute Bill

- Allows surplus campaign funds to be transferred to the Oral History, State Library and Archives Account, the Legislative International Trade Account, a public school, school district, or educational service district.

Hearing Date: 3/22/05

Staff: Hannah Lidman (786-7291).

Background:

Disposal of Surplus Funds

The surplus campaign funds of a candidate or political committee may only be disposed of in a limited number of ways. To dispose of surplus funds, a candidate or political committee may:

- return the surplus funds to a contributor in an amount equal to or less than the original contribution;
- transfer the funds to the candidate's personal account as reimbursement for documented lost earnings due to campaigning, not to exceed what the candidate might generally earn during that period;
- transfer the excess to a political party or caucus political committee;
- donate the funds to a registered charitable organization;
- transfer the surplus to the state treasurer for deposit in the general fund;
- hold the funds in a depository for use in a future campaign for the same office; or
- hold the surplus in a separate account for nonreimbursed public office-related expenses.

Surplus funds may not be transferred to any other candidate or political committee.

Oral History, State Library and Archives Account

The Division of Archives and Records Management, the Oral History Program, and the State Library fall under the jurisdiction of the Secretary of State. The Secretary of State may solicit

gifts and grants and use the proceeds from these gifts, unless the donor requests otherwise, to conduct oral histories, archival activities, and Washington state library activities. All moneys received for these purposes must be deposited into the Oral History, State Library, and Archives Account (Archives Account) which is a non-appropriated account from which the Secretary of State may make expenditures for purposes of the Oral History Program, the State Library and the Division of Archives and Records Management..

Legislative International Trade Account

The Legislative International Trade Account (Trade Account) was created in 2003. The Trade Account receives nonpublic donations to fund international trade hosting and trade mission activities undertaken by the Lieutenant Governor and members of the Senate and House of Representatives. Expenditures from this account may be used only for international trade hosting and trade mission activities, excluding travel and lodging, in which the Lieutenant Governors and members of the legislature participate in an official capacity. The account is non-appropriated, and only the Lieutenant Governor may authorize expenditures from the account

Summary of Bill:

A candidate or political committee may dispose of surplus campaign funds by transmitting the surplus to the State Treasurer and specifying deposit into either the Oral History, State Library, and Archives Account or the Legislative International Trade Account. Surplus funds may also be donated to a public school, school district, or educational service district

The emergency clause on the bill allows immediate donation of surplus campaign funds into these accounts directly after the bill is signed into law.

Senate Bill Compared to House Bill

ESSB 5140 is very similar to SHB 1104 passed out by the State Government Operations and Accountability Committee earlier this session. The only difference is the additional allowance for donation of surplus funds to schools, school districts, and educational service districts.

Appropriation: None.

Fiscal Note: Not requested.

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