HOUSE BILL REPORT E2SSB 5278

As Reported by House Committee On: State Government & Tribal Affairs

Title: An act relating to use of public funds for political purposes.

Brief Description: Concerning use of public funds to finance campaigns for local office.

Sponsors: Senate Committee on Government Operations & Elections (originally sponsored by Senators Franklin, Kastama, Kline, Spanel, Keiser, Kohl-Welles, McAuliffe, Regala, Pridemore, Poulsen, Fraser, Rasmussen and Rockefeller).

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/27/08, 2/28/08 [DP].

Brief Summary of Engrossed Second Substitute Bill

• Removes the prohibition of using public funds to finance political campaigns for local office.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass. Signed by 5 members: Representatives Hunt, Chair; Appleton, Vice Chair; Liias, Miloscia and Ormsby.

Minority Report: Do not pass. Signed by 2 members: Representatives Chandler, Ranking Minority Member; Kretz.

Staff: Marsha Reilly (786-7135).

Background:

The Fair Campaign Practices Act was enacted following passage of Initiative 134 (Initiative) in 1992. The Initiative imposed campaign contribution limits on elections for statewide and legislative office, 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 Initiative also prohibited the use of public funds to finance political campaigns for state or local office.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

A series of court decisions have identified a number of constitutional limitations on the regulation of campaign financing. Found to be impermissible were ceilings on candidate expenditures or on "independent expenditures," that is, campaign expenditures not subject to the control of a candidate. Upheld, however, were ceilings on a candidate's expenditures which become effective only as part of a public financing agreement under which a candidate agrees to abide by the limits in exchange for public financing.

Summary of Bill:

The prohibition against the use of public funds to finance political campaigns for local office, with the exception of school district office, is removed. Before a local government may adopt public funding, it must be submitted to the voters for approval or rejection. If a county, city, town, or district establishes a program to publicly finance local political campaigns, only funds derived from local sources may be used to fund the program.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) Initiative 134 took local public financing options away, and this bill represents an effort to restore what local governments had before the initiative. The prohibition on local public financing was not intended to be in the initiative. Adopting a public financing program will require a vote of the people. The King County Council supports the bill. In 1991 it was possible to use public funds and shortly thereafter it was repealed due to the initiative. Local governments should have the ability to adopt a program and submit it to the people for their rejection or adoption. It levels the playing field and allows a lot of people to run for office. Washington Public Campaigns continues to support the bill. The state should not be able to prevent local jurisdictions from deciding whether to adopt public financing. Any local program would have to be submitted to the local voters for approval or rejection. Any public funds not spent during the campaign would have to be returned to the fund, and the local entity would have to develop the program rules. The League of Women Voters is supportive of the bill and urges that the bill be passed.

(Opposed) None.

Persons Testifying: Senator Franklin, prime sponsor; Larry Phillips, King County Council; Craig Salins, Washington Public Campaigns; and Susan Sanders, The League of Women Voters.

Persons Signed In To Testify But Not Testifying: None.

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