

SENATE BILL REPORT

SB 6166

As of January 27, 2014

Title: An act relating to the use of credit cards for campaign expenditures.

Brief Description: Concerning the use of credit cards for campaign expenditures.

Sponsors: Senators Roach, Hasegawa and Chase.

Brief History:

Committee Activity: Governmental Operations: 1/27/14.

SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Staff: Samuel Brown (786-7470)

Background: Within two weeks of becoming a candidate, each candidate must designate a legally competent individual to serve as the candidate's campaign treasurer with the Public Disclosure Commission (PDC). A candidate may serve as their own campaign treasurer. The treasurer is responsible for filing reports with the PDC detailing the campaign's contributions received and expenditures made at the following intervals:

- on the tenth day of the month if the candidate has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last report exceed \$200;
- 21 days before the election;
- seven days before the election; and
- on the tenth day of the month following the election.

The report of contributions and expenditures must contain the following information:

- the funds on hand at the beginning of the reporting period;
- the names and addresses of contributors of more than \$25 during the period;
- loans, promissory notes, or securities to be used by the candidate, including the dates and amounts of loans, and the persons liable for the loan;
- the name and address of each person to whom an expenditure was made;
- the name and address of each person owed for any debt of at least \$250, or, if the debt is outstanding for over 30 days, of at least \$50;
- the surplus or deficit of contributions over expenditures;
- the disposition of any surplus funds; and
- any other information required by the PDC.

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.

Summary of Bill: On the day a candidate designates their campaign's treasurer, the candidate must also declare whether they will use a credit card for campaign expenditures.

Monthly contribution and expenditure reports must include the following:

- whether a campaign expenditure was made by credit card;
- any credit card balance for campaign-related expenditures; and
- the sources of funds used to pay the campaign-related credit card balance.

Credit card balances for campaign-related expenditures owed by candidates must be paid in full within 30 days.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: On a recent campaign, another candidate put all expenses on a credit card and there was no evidence they had any money, so it was unclear how that was paid off. The money can become awfully fluid, and this should be closed up. We should be able to see how money comes into campaigns.

OTHER: The PDC has not taken a position on this bill. I am not aware of any other complaints filed with the PDC surrounding the use of credit cards or payment of credit card expenditures. Payments made by third parties for the benefit of a candidate must be reported as an in-kind benefit. There may be more efficient ways of making this change. This would impose significant fiscal impacts.

Persons Testifying: PRO: Senator Roach, prime sponsor.

OTHER: Andrea McNamara Doyle, PDC.