
SENATE BILL 5791

State of Washington

65th Legislature

2017 Regular Session

By Senators Braun, Palumbo, Miloscia, Rivers, Zeiger, Padden, and Wilson

Read first time 02/10/17. Referred to Committee on State Government.

1 AN ACT Relating to improving the accountability and efficiency of
2 the public disclosure commission's operations and requirements;
3 amending RCW 42.17A.240, 42.17A.100, and 42.17A.320; adding a new
4 section to chapter 42.17A RCW; and repealing RCW 42.17A.420.

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

6 **Sec. 1.** RCW 42.17A.240 and 2010 c 204 s 409 are each amended to
7 read as follows:

8 Each report required under RCW 42.17A.235 (1) and (2) must be
9 certified as correct by the treasurer and the candidate and shall
10 disclose the following:

11 (1) The funds on hand at the beginning of the period;

12 (2) The name and address of each person who has made one or more
13 contributions during the period, together with the money value and
14 date of each contribution and the aggregate value of all
15 contributions received from each person during the campaign, or in
16 the case of a continuing political committee, the current calendar
17 year, with the following exceptions:

18 (a) Pledges in the aggregate of less than one hundred dollars
19 from any one person need not be reported;

20 (b) Income that results from a fund-raising activity conducted in
21 accordance with RCW 42.17A.230 may be reported as one lump sum, with

1 the exception of that portion received from persons whose names and
2 addresses are required to be included in the report required by RCW
3 42.17A.230;

4 (c) Contributions of no more than twenty-five dollars in the
5 aggregate from any one person during the election campaign may be
6 reported as one lump sum if the treasurer maintains a separate and
7 private list of the name, address, and amount of each such
8 contributor; and

9 (d) The money value of contributions of postage shall be the face
10 value of the postage;

11 (3) Each loan, promissory note, or security instrument to be used
12 by or for the benefit of the candidate or political committee made by
13 any person, including the names and addresses of the lender and each
14 person liable directly, indirectly or contingently and the date and
15 amount of each such loan, promissory note, or security instrument;

16 (4) All other contributions not otherwise listed or exempted;

17 (5) The name and address of each candidate or political committee
18 to which any transfer of funds was made, including the amounts and
19 dates of the transfers;

20 (6) The name and address of each person to whom an expenditure
21 was made in the aggregate amount of more than fifty dollars during
22 the period covered by this report, the amount, date, and purpose of
23 each expenditure, and the total sum of all expenditures;

24 (7) The name and address of each person directly compensated for
25 soliciting or procuring signatures on an initiative or referendum
26 petition, the amount of the compensation to each person, and the
27 total expenditures made for this purpose. Such expenditures shall be
28 reported under this subsection in addition to what is required to be
29 reported under subsection (6) of this section;

30 (8) The name and address of any person and the amount owed for
31 any debt, obligation, note, unpaid loan, or other liability in the
32 amount of more than two hundred fifty dollars (~~or in the amount of~~
33 ~~more than fifty dollars that has been outstanding for over thirty~~
34 ~~days));~~

35 (9) The surplus or deficit of contributions over expenditures;

36 (10) The disposition made in accordance with RCW 42.17A.430 of
37 any surplus funds; and

38 (11) Any other information required by the commission by rule in
39 conformance with the policies and purposes of this chapter.

1 **Sec. 2.** RCW 42.17A.100 and 2010 c 204 s 301 are each amended to
2 read as follows:

3 (1) The public disclosure commission is established. Effective
4 July 31, 2017, the terms of all existing commission members are
5 terminated. Beginning August 1, 2017, the commission shall be
6 composed of five members (~~appointed by the governor, with the~~
7 ~~consent of the senate~~) as provided in this subsection.

8 (a) The two largest caucuses in the senate and the two largest
9 caucuses in the house of representatives shall each appoint one
10 voting member to the commission by September 1, 2017.

11 (b) No later than January 1, 2018, the four appointed members, by
12 an affirmative vote of at least three, shall appoint the fifth
13 member, who shall act as the commission's chair. If by January 1,
14 2018, three of the four voting members fail to elect a chair, the
15 chair position must rotate among the appointed members annually, in
16 the order of their appointment and concluding when a fifth member is
17 agreed upon as provided in this subsection.

18 (c) A vacancy in a position appointed under (a) of this
19 subsection shall be filled by the person who made the initial
20 appointment, or that person's successor, within three months after
21 the vacancy occurs. A vacancy of the chair elected under (b) of this
22 subsection shall be filled by an affirmative vote of at least three
23 of the appointed members. If, within three months of a vacancy in the
24 position of chair, three of the four voting members fail to elect a
25 chair, the chair position must rotate among the appointed members
26 annually, in the order of their appointment and concluding when a
27 fifth member is agreed upon as provided in this subsection.

28 (d) All appointees shall be persons of the highest integrity and
29 qualifications.

30 (e) No more than three members shall have an identification with
31 the same political party.

32 (2) The term of each member shall be (~~five~~) four years. No
33 member is eligible for appointment to more than one full term. (~~Any~~
34 ~~member may be removed by the governor, but only upon grounds of~~
35 ~~neglect of duty or misconduct in office.~~)

36 (3) During his or her tenure, a member of the commission is
37 prohibited from engaging in any of the following activities, either
38 within or outside the state of Washington:

39 (a) Holding or campaigning for elective office;

1 (b) Serving as an officer of any political party or political
2 committee;

3 (c) Permitting his or her name to be used in support of or in
4 opposition to a candidate or proposition;

5 (d) Soliciting or making contributions to a candidate or in
6 support of or in opposition to any candidate or proposition;

7 (e) Participating in any way in any election campaign; or

8 (f) Lobbying, employing, or assisting a lobbyist, except that a
9 member or the staff of the commission may lobby to the limited extent
10 permitted by RCW 42.17A.635 on matters directly affecting this
11 chapter.

12 ~~(4) ((A vacancy on the commission shall be filled within thirty~~
13 ~~days of the vacancy by the governor, with the consent of the senate,~~
14 ~~and the appointee shall serve for the remaining term of his or her~~
15 ~~predecessor. A vacancy shall not impair the powers of the remaining~~
16 ~~members to exercise all of the powers of the commission.~~

17 ~~(5))~~ Three members of the commission shall constitute a quorum.
18 The commission shall ~~((elect its own chair and))~~ adopt its own rules
19 of procedure in the manner provided in chapter 34.05 RCW.

20 ~~((6))~~ (5) Members shall be compensated in accordance with RCW
21 43.03.250 and shall be reimbursed for travel expenses incurred while
22 engaged in the business of the commission as provided in RCW
23 43.03.050 and 43.03.060. The compensation provided pursuant to this
24 section shall not be considered salary for purposes of the provisions
25 of any retirement system created under the laws of this state.

26 **Sec. 3.** RCW 42.17A.320 and 2013 c 138 s 1 are each amended to
27 read as follows:

28 (1) All written political advertising, whether relating to
29 candidates or ballot propositions, shall include the sponsor's name
30 and address. All radio and television political advertising, whether
31 relating to candidates or ballot propositions, shall include the
32 sponsor's name. The use of an assumed name for the sponsor of
33 electioneering communications, independent expenditures, or political
34 advertising shall be unlawful. For partisan office, if a candidate
35 has expressed a party or independent preference on the declaration of
36 candidacy, that party or independent designation shall be clearly
37 identified in electioneering communications, independent
38 expenditures, or political advertising.

1 (2) In addition to the information required by subsection (1) of
2 this section, except as specifically addressed in subsections (4) and
3 (5) of this section, all political advertising undertaken as an
4 independent expenditure or an electioneering communication by a
5 person or entity other than a bona fide political party must include
6 as part of the communication:

7 (a) The statement: "No candidate authorized this ad. It is paid
8 for by (name, address, city, state)";

9 (b) If the sponsor is a political committee, the statement: "Top
10 Five Contributors," followed by a listing of the names of the five
11 persons or entities making the largest contributions in excess of
12 seven hundred dollars reportable under this chapter during the
13 twelve-month period before the date of the advertisement or
14 communication; (~~and~~)

15 (c) If the sponsor is a political committee established,
16 maintained, or controlled directly, or indirectly through the
17 formation of one or more political committees, by an individual,
18 corporation, union, association, or other entity, the full name of
19 that individual or entity; and

20 (d) A statement, including the commission's current web site
21 address, informing the public that more information can be found by
22 visiting the commission's web site.

23 (3) The information required by subsections (1) and (2) of this
24 section shall:

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

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

31 (c) Be set apart from any other printed matter.

32 (4) In an independent expenditure or electioneering communication
33 transmitted via television or other medium that includes a visual
34 image, the following statement must either be clearly spoken, or
35 appear in print and be visible for at least four seconds, appear in
36 letters greater than four percent of the visual screen height, and
37 have a reasonable color contrast with the background: "No candidate
38 authorized this ad. Paid for by (name, city, state)." If the
39 advertisement or communication is undertaken by a nonindividual other
40 than a party organization, then the following notation must also be

1 included: "Top Five Contributors" followed by a listing of the names
2 of the five persons or entities making the largest contributions in
3 excess of seven hundred dollars reportable under this chapter during
4 the twelve-month period preceding the date on which the advertisement
5 is initially published or otherwise presented to the public.
6 Abbreviations may be used to describe contributing entities if the
7 full name of the entity has been clearly spoken previously during the
8 broadcast advertisement.

9 (5) The following statement shall be clearly spoken in an
10 independent expenditure or electioneering communication transmitted
11 by a method that does not include a visual image: "No candidate
12 authorized this ad. Paid for by (name, city, state)." If the
13 independent expenditure or electioneering communication is undertaken
14 by a nonindividual other than a party organization, then the
15 following statement must also be included: "Top Five Contributors"
16 followed by a listing of the names of the five persons or entities
17 making the largest contributions in excess of seven hundred dollars
18 reportable under this chapter during the twelve-month period
19 preceding the date on which the advertisement is initially published
20 or otherwise presented to the public. Abbreviations may be used to
21 describe contributing entities if the full name of the entity has
22 been clearly spoken previously during the broadcast advertisement.

23 (6) Political advertising costing one thousand dollars or more
24 supporting or opposing ballot measures sponsored by a political
25 committee must include the information on the "Top Five Contributors"
26 consistent with subsections (2), (4), and (5) of this section. A
27 series of political advertising sponsored by the same political
28 committee, each of which is under one thousand dollars, must include
29 the "Top Five Contributors" information required by this section once
30 their cumulative value reaches one thousand dollars or more.

31 (7) Political yard signs are exempt from the requirements of this
32 section that the sponsor's name and address, and "Top Five
33 Contributor" information, be listed on the advertising. In addition,
34 the public disclosure commission shall, by rule, exempt from the
35 identification requirements of this section forms of political
36 advertising such as campaign buttons, balloons, pens, pencils, sky-
37 writing, inscriptions, and other forms of advertising where
38 identification is impractical.

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

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 42.17A
2 RCW to read as follows:

3 (1) Treasurers shall prepare and deliver to the commission a
4 special report when a contribution or aggregate of contributions
5 totals ten thousand dollars or more, is from a single person or
6 entity, and is received during a special reporting period.

7 (2) A political committee shall prepare and deliver to the
8 commission a special report when it receives a contribution or an
9 aggregate of contributions from a single entity that totals ten
10 thousand dollars or more during a special reporting period.

11 (3) An aggregate of contributions includes only those
12 contributions made to or received from a single entity during any one
13 special reporting period. Any subsequent contribution of any size
14 made to or received from the same person or entity during the special
15 reporting period must also be reported.

16 (4) Special reporting periods, for purposes of this section,
17 include:

18 (a) The period sixty days before a primary or general election;
19 and

20 (b) An aggregate of contributions includes only those
21 contributions received from a single entity during any one special
22 reporting period or made by the contributing political committee to a
23 single entity during any one special reporting period.

24 (5) If a campaign treasurer files a special report under this
25 section for one or more contributions received from a single entity
26 during a special reporting period, the treasurer shall also file a
27 special report under this section for each subsequent contribution of
28 any size that is received from that entity during the special
29 reporting period. If a political committee files a special report
30 under this section for a contribution or contributions made to a
31 single entity during a special reporting period, the political
32 committee shall also file a special report for each subsequent
33 contribution of any size which is made to that entity during the
34 special reporting period.

35 (6)(a) Special reports required by this section must be delivered
36 electronically or in written form including, but not limited to,
37 mailgram, telegram, or nightletter. The special report may be
38 transmitted orally by telephone to the commission if the written form
39 of the report is postmarked and mailed to the commission or the

1 electronic filing is transferred to the commission within the
2 delivery periods established in (b) and (c) of this subsection.

3 (b) The special report required of a contribution recipient under
4 subsection (1) of this section shall be delivered to the commission
5 within twenty-four hours of the time, or on the first working day
6 after: The contribution of ten thousand dollars or more is received
7 by the candidate or treasurer; the aggregate received by the
8 candidate or treasurer first equals one thousand dollars or more; or
9 any subsequent contribution from the same source is received by the
10 candidate or treasurer.

11 (c) The special report required of a recipient under subsection
12 (2) of this section or RCW 42.17A.625 must be delivered to the
13 commission, and the candidate or political committee to whom the
14 contribution or contributions are made, within twenty-four hours of
15 the time, or on the first working day after: The contribution is
16 made; the aggregate of contributions made first equals ten thousand
17 dollars or more; or any subsequent contribution to the same person or
18 entity is made.

19 (7) The special report must include:

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

21 (b) The date or dates of receipt;

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

23 (d) The name and address of the recipient; and

24 (e) Any other information the commission may by rule require.

25 (8) Contributions reported under this section shall also be
26 reported as required by other provisions of this chapter.

27 (9) The commission shall prepare daily a summary of the special
28 reports made under this section and RCW 42.17A.625.

29 (10) Contributions governed by this section include, but are not
30 limited to, contributions made or received indirectly through a third
31 party or entity whether the contributions are or are not reported to
32 the commission as earmarked contributions under RCW 42.17A.270.

33 NEW SECTION. **Sec. 5.** RCW 42.17A.420 (Reportable contributions—
34 Preelection limitations) and 2010 c 204 s 604 are each repealed.

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