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ENGROSSED SUBSTITUTE SENATE BILL 5864

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State of Washington

52nd Legislature

1991 Regular Session

By Senate Committee on Governmental Operations (originally sponsored by Senators L. Smith, Hayner, Thorsness, Roach, Metcalf, Saling, West, von Reichbauer, Oke, Sellar, Matson, Amondson, McCaslin, Cantu, Johnson, Erwin, Rasmussen, Anderson, Craswell, Nelson, Patterson, Barr and McDonald).

Read first time March 6, 1991.

1 AN ACT Relating to the regulation of political contributions and  
2 advertising; amending RCW 42.17.095, 42.17.105, 42.17.125, 42.17.510,  
3 41.04.230, 42.17.180, and 42.17.390; adding new sections to chapter  
4 42.17 RCW; creating a new section; repealing RCW 42.17.243; prescribing  
5 penalties; making an appropriation; providing an effective date; and  
6 providing for submission of this act to a vote of the people.

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

8 PART I

9 FINDINGS AND INTENT

10 NEW SECTION. **Sec. 1.** FINDINGS. The legislature finds and  
11 declares that:

12 (1) Monetary contributions to political campaigns are a legitimate  
13 form of participation in the political process, but the financial  
14 strength of certain individuals or organizations should not permit them

1 to exercise a disproportionate or controlling influence on the election  
2 of candidates.

3 (2) Rapidly increasing political campaign costs have led many  
4 candidates to raise larger percentages of money from organizational  
5 contributors with a specific financial stake in matters before state  
6 government. This has caused the public perception that decisions of  
7 elected officials are being improperly influenced by monetary  
8 contributions. This perception undermines the credibility and  
9 integrity of the governmental process.

10 (3) Candidates are raising less money in small contributions from  
11 individuals and more money in organizational contributions. This has  
12 created the public perception that small contributions have an  
13 insignificant role to play in the political campaigns.

14 NEW SECTION. **Sec. 2.** INTENT. By limiting campaign contributions,  
15 the legislature intends to:

16 (1) Ensure that individuals and interest groups have fair and equal  
17 opportunity to influence elective and governmental processes;

18 (2) Reduce the influence of large organizational contributors; and

19 (3) Help restore public trust in governmental institutions and the  
20 electoral process.

21 PART II

22 DEFINITIONS

23 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions under RCW  
24 42.17.020 apply to sections 4 through 20 of this act except as modified  
25 by this section. Unless the context clearly requires otherwise, the  
26 definitions in this section apply throughout sections 4 through 20 of  
27 this act.

1 (1) "Authorized committee" means the political committee authorized  
2 by a candidate, or by the state official against whom recall charges  
3 have been filed, to accept contributions or make expenditures on behalf  
4 of the candidate or state official.

5 (2) "Bona fide political party" means:

6 (a) An organization which has filed a valid certificate of  
7 nomination with the secretary of state under chapter 29.24 RCW; or

8 (b) The governing body of the state organization of a major  
9 political party, as defined in RCW 29.01.090, which is the body  
10 authorized by the charter or bylaws of the party to exercise authority  
11 on behalf of the state party; or

12 (c) The county central committee or legislative district committee  
13 of a major political party.

14 (3) "Candidate" means an individual seeking nomination for election  
15 or seeking election to a state office. An individual shall be deemed  
16 to be seeking nomination for election or seeking election when the  
17 individual first:

18 (a) Announces publicly or files for the office;

19 (b) Purchases commercial advertising space or broadcast time to  
20 promote his or her candidacy;

21 (c) Receives contributions or makes expenditures for facilities  
22 with intent to promote his or her candidacy for the office; or

23 (d) Gives his or her consent to another person to take on behalf of  
24 the individual any of the actions in (b) or (c) of this subsection.

25 (4) "Caucus of the state legislature" means the caucus of the  
26 members of a major political party in the state house of  
27 representatives or in the state senate.

28 (5)(a) "Contribution" includes a loan, gift, deposit, subscription,  
29 forgiveness of indebtedness, donation, advance, pledge, payment,  
30 transfer of funds between political committees, or transfer of anything

1 of value, including personal and professional services for less than  
2 full consideration.

3 (b) Subject to further definition by the commission, "contribution"  
4 shall not include the following:

5 (i) Interest on moneys deposited in a political committee's  
6 account;

7 (ii) Ordinary home hospitality;

8 (iii) A contribution received by a candidate or political committee  
9 that is returned to the contributor within five business days of the  
10 date on which it is received by the candidate or political committee;

11 (iv) An expenditure or contribution earmarked for voter  
12 registration, for absentee ballot information, for precinct caucuses,  
13 for get-out-the-vote campaigns, for precinct judges or inspectors, for  
14 sample ballots, or for ballot counting, all without promotion of or  
15 political advertising for individual candidates;

16 (v) Any news, feature, commentary, or editorial in a regularly  
17 scheduled news medium that is of primary interest to the general  
18 public, that is in a news medium controlled by a person whose primary  
19 business is that news medium, and that is not controlled by any  
20 candidate or political committee;

21 (vi) An expenditure by a political committee for its own internal  
22 organization or fund raising without direct association with individual  
23 candidates;

24 (vii) An internal political communication primarily limited to the  
25 contributors to a political party organization or political action  
26 committee, or the officers, management staff, and stockholders of a  
27 corporation or similar enterprise, or the members of a labor  
28 organization or other membership organization; or

29 (viii) The rendering of personal services of the sort commonly  
30 performed by volunteer campaign workers, or incidental expenses

1 personally incurred by volunteer campaign workers not in excess of  
2 fifty dollars personally paid for by the worker. "Volunteer services,"  
3 for the purposes of this section, means services or labor for which the  
4 individual is not compensated by any person and that are performed  
5 outside the individual's normal working hours.

6 (c) Contributions other than money or its equivalent shall be  
7 deemed to have a monetary value equivalent to the fair market value of  
8 the contribution.

9 (d) Sums paid for tickets to fund-raising events such as dinners  
10 and parties are contributions, except for the actual cost of the  
11 consumables furnished at the event.

12 (e) An expenditure made by a person in cooperation, consultation,  
13 or concert with, or at the request or suggestion of, a candidate, a  
14 political committee, or their agents, is considered to be a  
15 contribution to such candidate or political committee.

16 (f) The financing by a person of the dissemination, distribution,  
17 or republication, in whole or in part, of broadcast, written, graphic,  
18 or other form of political advertising prepared by a candidate, a  
19 political committee, or its authorized agent, is considered to be a  
20 contribution to the candidate or political committee.

21 (6) "Election cycle" means the period beginning on the first day of  
22 December following the date of the last previous general election for  
23 the office which the candidate seeks and ending on November thirtieth  
24 following the next election for the office. In the case of a special  
25 election to fill a vacancy in an office, "election cycle" means the  
26 period beginning on the day the vacancy occurs and ending on November  
27 thirtieth following the special election.

28 (7) "General election" means the election which results in the  
29 election of a person to a state office. It does not include a primary.

1 (8) "Immediate family" means a candidate's spouse, and any child,  
2 stepchild, grandchild, parent, stepparent, grandparent, brother, half-  
3 brother, sister, or half-sister of the candidate and the spouse of any  
4 such person and any child, stepchild, grandchild, parent, stepparent,  
5 grandparent, brother, half-brother, sister, or half-sister of the  
6 candidate's spouse and the spouse of any such person.

7 (9) "Independent expenditure" means an "expenditure" as defined in  
8 RCW 42.17.020 which has each of the following elements:

9 (a) It is made in support of or in opposition to a candidate for  
10 office by a person who is not (i) a candidate for that office, (ii) an  
11 authorized committee of that candidate for that office, (iii) a person  
12 who has received the candidate's encouragement or approval to make the  
13 expenditure, if the expenditure pays in whole or in part for any  
14 political advertising supporting that candidate or promoting the defeat  
15 of any other candidate or candidates for that office, or (iv) a person  
16 with whom the candidate has collaborated for the purpose of making the  
17 expenditure, if the expenditure pays in whole or in part for any  
18 political advertising supporting that candidate or promoting the defeat  
19 of any other candidate or candidates for that office;

20 (b) The expenditure pays in whole or in part for any political  
21 advertising which either specifically names the candidate supported or  
22 opposed, or clearly and beyond any doubt identifies such candidate  
23 without using the candidate's name; and

24 (c) The expenditure, alone or in conjunction with another  
25 expenditure or other expenditures of the same person in support of or  
26 opposition to that candidate, has a value of five hundred dollars or  
27 more. A series of expenditures, each of which is under five hundred  
28 dollars, shall constitute one independent expenditure if their  
29 cumulative value is five hundred dollars or more.

1 (10)(a) "Intermediary" means an individual who transmits a  
2 contribution to a candidate or committee from another person unless the  
3 contribution is from the individual's employer, immediate family, or an  
4 association to which the individual belongs.

5 (b) A treasurer or a candidate is not an intermediary for purpose  
6 of the committee that the treasurer or candidate serves.

7 (c) A professional fund raiser is not an intermediary if the fund  
8 raiser is compensated for fund-raising services at the usual and  
9 customary rate.

10 (d) A volunteer hosting a fund-raising event at the individual's  
11 home is not an intermediary for purposes of that event.

12 (11) "Person" includes:

13 (a) An individual;

14 (b) A partnership, limited partnership, public or private  
15 corporation, or joint venture;

16 (c) A nonprofit corporation, organization, or association,  
17 including but not limited to, any national, state, or local labor union  
18 or collective bargaining organization and any national, state, or local  
19 trade or professional association;

20 (d) A federal, state, or local governmental entity or agency,  
21 however constituted;

22 (e) A candidate, committee, political committee, bona fide  
23 political party, or executive committee thereof; and

24 (f) Any other organization or group of persons, however organized.

25 (12) "Primary" means the procedure for nominating a candidate to  
26 state office under chapter 29.18 or 29.21 RCW or any other primary for  
27 an election which uses, in large measure, the procedures established in  
28 chapter 29.18 or 29.21 RCW.

1 (13) "Recall campaign" means the period of time beginning on the  
2 date of the filing of recall charges pursuant to RCW 29.82.015 and  
3 ending thirty days after the recall election.

4 (14) "State legislative office" means the office of a member of the  
5 state house of representatives and the office of a member of the state  
6 senate.

7 (15) "State office" means state legislative office or the office of  
8 governor, lieutenant governor, secretary of state, attorney general,  
9 commissioner of public lands, insurance commissioner, superintendent of  
10 public instruction, state auditor, or state treasurer.

11 (16) "State official" means a person who holds a state office.

12 PART III

13 CONTRIBUTIONS

14 NEW SECTION. **Sec. 4.** CAMPAIGN CONTRIBUTION LIMITS. (1) No  
15 person, other than a bona fide political party or a caucus of the state  
16 legislature, may make contributions to any candidate during an election  
17 cycle which in the aggregate exceed five hundred dollars. No candidate  
18 and no authorized committee of a candidate may accept contributions  
19 from any person or entity which exceed the contribution limitation  
20 provided by this subsection.

21 (2) No person, other than a bona fide political party or a caucus  
22 of the state legislature, may make contributions to any state official  
23 against whom recall charges have been filed, or to any political  
24 committee having the expectation of making expenditures in support of  
25 the recall of any such state official, during a recall campaign which  
26 in the aggregate exceed five hundred dollars. No state official  
27 against whom recall charges have been filed, no authorized committee of  
28 such an official, and no political committee having the expectation of



1 making expenditures in support of the recall of any state official, may  
2 accept contributions from a person which exceed the contribution  
3 limitation provided by this subsection.

4 (3) Notwithstanding subsection (1) of this section, no bona fide  
5 political party or caucus of the state legislature may make  
6 contributions to any candidate during an election cycle which in the  
7 aggregate exceeds fifty cents multiplied times the number of registered  
8 voters in the jurisdiction from which the candidate is elected. No  
9 candidate and no authorized committee of a candidate may accept  
10 contributions from a bona fide political party or from a caucus of the  
11 state legislature which exceed the contribution limitation provided by  
12 this subsection.

13 (4) Notwithstanding subsection (2) of this section, no bona fide  
14 political party or caucus of the state legislature may make  
15 contributions to any state official against whom recall charges have  
16 been filed, or to any political committee having the expectation of  
17 making expenditures in support of the recall of any such state  
18 official, during a recall campaign which in the aggregate exceeds fifty  
19 cents multiplied times the number of registered voters in the  
20 jurisdiction entitled to recall such state official. No state official  
21 against whom recall charges have been filed, no authorized committee of  
22 such an official, and no political committee having the expectation of  
23 making expenditures in support of the recall of any state official may  
24 accept contributions from a bona fide political party or from a caucus  
25 of the state legislature which exceed the contribution limitation  
26 provided by this subsection.

27 (5) Notwithstanding subsections (1) through (4) of this section, no  
28 person other than an individual, bona fide political party, or caucus  
29 of the state legislature may make contributions reportable under this  
30 chapter to any candidate, to any state official against whom recall

1 charges have been filed, or to any political committee having the  
2 expectation of making expenditures in support of the recall of any such  
3 official. No entity prohibited by this subsection from making  
4 contributions to candidates may make contributions to a caucus of the  
5 state legislature that in the aggregate exceeds five hundred dollars in  
6 a calendar year or to a bona fide political party that in the aggregate  
7 exceeds one thousand dollars in a calendar year. This subsection does  
8 not apply to loans made in the ordinary course of business.

9 (6) For the purposes of sections 4 through 20 of this act, a  
10 contribution to the authorized political committee of a candidate, or  
11 of a state official against whom recall charges have been filed, shall  
12 be considered to be a contribution to the candidate or state official.

13 (7) Any contribution received within the twelve-month period  
14 following a general election for a state office or for a recall  
15 election concerning a state office shall be considered to be a  
16 contribution during the election cycle ending with that election or  
17 during that recall campaign if the contribution is used to pay any debt  
18 or obligation incurred to influence the outcome of that election or the  
19 primary conducted for that election or of that recall campaign.

20 (8)(a) The contributions allowed by subsection (2) of this section  
21 are in addition to those allowed by subsection (1) of this section, and  
22 the contributions allowed by subsection (4) of this section are in  
23 addition to those allowed by subsection (3) of this section.

24 (b) The provisions of sections 4 through 20 of this act apply to a  
25 special election conducted to fill a vacancy in a state office.  
26 However, the contributions made to a candidate or received by a  
27 candidate for a primary or special election conducted to fill such a  
28 vacancy shall not be counted toward any of the limitations which apply  
29 to the candidate or to contributions made to the candidate for any  
30 other primary or election.

1        NEW SECTION.    **Sec. 5.**    ATTRIBUTION AND AGGREGATION OF FAMILY  
2 CONTRIBUTIONS. (1) Contributions by a husband and wife are considered  
3 separate contributions.

4        (2) Contributions by unemancipated children under eighteen years of  
5 age are considered contributions by their parents and attributed  
6 proportionately to each parent. Fifty percent of the contributions are  
7 attributed to each parent or, in the case of a single custodial parent,  
8 the total amount is attributed to the parent.

9        NEW SECTION.    **Sec. 6.**    ATTRIBUTION OF CONTRIBUTIONS BY CONTROLLED  
10 ENTITIES. (1) For purposes of this chapter, a contribution by a person  
11 or entity controlled by any other person or entity is a contribution by  
12 the controlling person or entity. A contribution to a person or entity  
13 controlled by another person or entity is a contribution to the  
14 controlling person or entity. This subsection does not apply to the  
15 relationship between an individual and the spouse of the individual or  
16 to the relationship between a bona fide political party and a district  
17 or county organization of that party or a caucus of the state  
18 legislature of the members of that party.

19        (2) Contributions governed by subsection (1) of this section  
20 include but are not limited to:

21        (a) A contribution by a subsidiary, branch, division, department,  
22 or local unit of an association, which is considered to have been made  
23 by the association; and

24        (b) A contribution by a political committee controlled by a person  
25 or entity, which is considered to be a contribution by that person or  
26 entity.

27        (3) In determining whether a person or entity is controlled by any  
28 other person or entity for the purposes of subsection (1) of this  
29 section, the following shall, if applicable, be considered:

1 (a) Ownership of a controlling interest in voting shares or  
2 securities;

3 (b) Provisions of bylaws, articles of incorporation, charters,  
4 constitutions, or other documents by which one person or entity has the  
5 authority, power, or ability to direct another;

6 (c) The authority, power, or ability to hire, appoint, discipline,  
7 discharge, demote, remove, or influence the decision of the officers or  
8 members of an entity;

9 (d) Similar patterns of contributions; and

10 (e) The extent of the transfer of funds between the person or  
11 entities.

12 (4) A candidate committee and a committee other than a candidate  
13 committee are treated as a single committee if the committees both have  
14 the candidate or a member of the candidate's immediate family as an  
15 officer.

16 NEW SECTION. **Sec. 7.** ATTRIBUTION OF CONTRIBUTIONS. All  
17 contributions made by a person or entity, either directly or  
18 indirectly, to a candidate, to a state official against whom recall  
19 charges have been filed, or to a political committee, are considered to  
20 be contributions from that person or entity to the candidate, state  
21 official, or political committee, as are contributions that are in any  
22 way earmarked or otherwise directed through an intermediary or conduit  
23 to the candidate, state official, or political committee. For the  
24 purposes of this section, "earmarked" means a designation, instruction,  
25 or encumbrance, whether direct or indirect, expressed or implied, or  
26 oral or written, that is intended to result in or that does result in  
27 all or any part of a contribution being made to a certain candidate or  
28 state official. If a conduit or intermediary exercises any direction  
29 or control over the choice of the recipient candidate or state

1 official, the contribution is considered to be by both the original  
2 contributor and the conduit or intermediary.

3 NEW SECTION. **Sec. 8.** LIMITATIONS ON EMPLOYERS OR LABOR  
4 ORGANIZATIONS. (1) No employer or labor organization may increase the  
5 salary of an officer or employee, or give an emolument to an officer,  
6 employee, or other person or entity, with the intention that the  
7 increase in salary, or the emolument, or a part of it, be contributed  
8 or spent to support or oppose any candidate, state official against  
9 whom recall charges have been filed, political party, or political  
10 committee.

11 (2) No employer or labor organization may discriminate against an  
12 officer or employee in the terms or conditions of employment: For (a)  
13 the failure to contribute to, (b) the failure in any way to support or  
14 oppose, or (c) in any way supporting or opposing a candidate, ballot  
15 proposition, political party, or political committee.

16 (3) No employer or other person or entity responsible for the  
17 disbursement of funds in payment of wages or salaries may withhold or  
18 divert any portion of an employee's wages or salaries for contributions  
19 to political committees except upon the written request of the  
20 employee. The request must be made on a form prescribed by the  
21 commission informing the employee of the prohibition against employer  
22 and labor organization discrimination described in subsection (2) of  
23 this section. The request shall be valid for no more than twelve  
24 months from the date it is made by the employee.

25 (4) Each person or entity who withholds contributions under  
26 subsection (3) of this section shall maintain open for public  
27 inspection for a period of no less than three years, during normal  
28 business hours, documents and books of accounts that shall include a  
29 copy of each employee's request, the amounts and dates funds were

1 actually withheld, and the amounts and dates funds were transferred to  
2 a political committee. Copies of such information shall be delivered  
3 to the commission upon request.

4 NEW SECTION. **Sec. 9.** CHANGING MONETARY LIMITS. At the beginning  
5 of each even-numbered calendar year, the commission shall increase or  
6 decrease all dollar amounts in this chapter based on changes in  
7 economic conditions as reflected in the inflationary index used by the  
8 commission under RCW 42.17.370. The new dollar amounts established by  
9 the commission under this section shall be rounded off by the  
10 commission to amounts as judged most convenient for public  
11 understanding and so as to be within ten percent of the target amount  
12 equal to the base amount provided in this chapter multiplied by the  
13 increase in the inflationary index since the effective date of this  
14 act.

15 NEW SECTION. **Sec. 10.** CONTRIBUTIONS FROM BEFORE EFFECTIVE DATE OF  
16 ACT. Contributions made and received before the effective date of this  
17 act are not considered to be contributions under the provisions of  
18 sections 4 through 20 of this act.

19 NEW SECTION. **Sec. 11.** TIME LIMIT FOR STATE OFFICIALS TO SOLICIT  
20 OR ACCEPT CONTRIBUTIONS. During the period beginning on the thirtieth  
21 day before the date a regular legislative session convenes and  
22 continuing thirty days past the date of final adjournment, and during  
23 the period beginning on the date a special legislative session convenes  
24 and continuing through the date that session adjourns, no state  
25 official or any person employed by or acting on behalf of a state  
26 official or state legislator may solicit or accept contributions to a

1 public office fund, to any candidate, or authorized committee, or to  
2 retire any campaign debt.

3 NEW SECTION. **Sec. 12.** RESTRICTION ON LOANS. (1) A loan is  
4 considered a contribution from the maker and the guarantor of the loan  
5 and is subject to the contribution limitations of this chapter.

6 (2) A loan to a candidate or the candidate committee must be by  
7 written agreement.

8 (3) The proceeds of a loan made to a candidate:

9 (a) By a commercial lending institution;

10 (b) Made in the regular course of business;

11 (c) On the same terms ordinarily available to members of the  
12 public; and

13 (d) Which is secured or guaranteed;

14 are not subject to the contribution limits of this chapter.

15 NEW SECTION. **Sec. 13.** CONTRIBUTIONS ON BEHALF OF ANOTHER. (1) A  
16 person, other than individual, may not be an intermediary or an agent  
17 for a contribution.

18 (2) An individual may not make a contribution on behalf of another  
19 person or entity, or while acting as the intermediary or agent of  
20 another person or entity, without disclosing to the recipient of the  
21 contribution both his or her full name, street address, occupation,  
22 name of employer, if any, or place of business if self-employed, and  
23 the same information for each contributor for whom the individual  
24 serves as intermediary or agent.

25 NEW SECTION. **Sec. 14.** CERTAIN CONTRIBUTIONS REQUIRED TO BE BY  
26 WRITTEN INSTRUMENT. (1) An individual may not make a contribution of  
27 more than fifty dollars, other than an in-kind contribution, except by

1 written instrument containing the name of the donor and the name of the  
2 payee.

3 (2) A committee may not make a contribution, other than in-kind,  
4 except by written instrument containing the name of the donor and the  
5 name of the payee.

6 NEW SECTION. **Sec. 15.** SOLICITATION OF CONTRIBUTIONS BY GOVERNMENT  
7 EMPLOYEES. (1) No state official or state official's agent may  
8 knowingly solicit, directly or indirectly, a contribution from an  
9 employee in the state official's agency.

10 (2) No state official or state employee may provide an advantage or  
11 disadvantage to an employee or applicant for employment in the  
12 classified civil service concerning the applicant's or employee's:

13 (a) Employment;

14 (b) Conditions of employment; or

15 (c) Application for employment;

16 based on the employee or applicant's contribution or promise to  
17 contribute, failure to make a contribution or contribute to a political  
18 party or committee.

19 NEW SECTION. **Sec. 16.** AGENCY SHOP FEES AS CONTRIBUTIONS. A labor  
20 organization may not use agency shop fees paid by an individual who is  
21 not a member of the organization to make contributions or expenditures  
22 to influence an election or to operate a political committee, unless  
23 affirmatively authorized by the individual.

24 NEW SECTION. **Sec. 17.** SOLICITATION FOR ENDORSEMENT FEES. A  
25 person or entity may not solicit from a candidate, committee, political  
26 party, or other person or entity money or other property as a condition  
27 or consideration for an endorsement, article, or other communication in



1 the news media promoting or opposing a candidate, committee, or  
2 political party.

3 NEW SECTION. **Sec. 18.** REIMBURSEMENT FOR CONTRIBUTIONS. A person  
4 or entity may not, directly or indirectly, reimburse another person or  
5 entity for a contribution to a candidate, committee, or political  
6 party.

7 NEW SECTION. **Sec. 19.** PROHIBITION ON USE OF CONTRIBUTIONS FOR A  
8 DIFFERENT OFFICE. (1) Except as provided in subsection (2) of this  
9 section, a candidate committee may not use or permit the use of  
10 contributions solicited for or received by the candidate committee to  
11 further the candidacy of the individual for an office other than the  
12 office designated on the statement of organization. A contribution  
13 solicited for or received on behalf of the candidate is considered  
14 solicited or received for the candidacy for which the individual is  
15 then a candidate if the contribution is solicited or received before  
16 the general elections for which the candidate is a nominee or is  
17 unopposed.

18 (2) With the written approval of the contributor, a candidate  
19 committee may use or permit the use of contributions solicited for or  
20 received by the candidate committee from that contributor to further  
21 the candidacy of the individual for an office other than the office  
22 designated on the statement of organization.

23 NEW SECTION. **Sec. 20.** OUT-OF-STATE CONTRIBUTIONS PROHIBITED.  
24 Notwithstanding section 4 of this act, no person residing or domiciled  
25 outside the state of Washington may contribute to a candidate or an  
26 authorized committee required to report under this chapter. No

1 candidate or authorized committee may accept a contribution that is  
2 prohibited by this section.

3 **Sec. 21.** RCW 42.17.095 and 1982 c 147 s 8 are each amended to read  
4 as follows:

5 The surplus funds of a candidate, or of a political committee  
6 supporting or opposing a candidate, may only be disposed of in any one  
7 or more of the following ways:

8 (1) Return the surplus to a contributor in an amount not to exceed  
9 that contributor's original contribution;

10 (2) Transfer the surplus to the candidate's personal account as  
11 reimbursement for lost earnings incurred as a result of that  
12 candidate's election campaign. Such lost earnings shall be verifiable  
13 as unpaid salary or, when the candidate is not salaried, as an amount  
14 not to exceed income received by the candidate for services rendered  
15 during an appropriate, corresponding time period. All lost earnings  
16 incurred shall be documented and a record thereof shall be maintained  
17 by the candidate or the candidate's political committee. The committee  
18 shall include a copy of such record when its expenditure for such  
19 reimbursement is reported pursuant to RCW 42.17.090;

20 (3) Transfer the surplus to ~~((one or more candidates or to))~~ a  
21 political ~~((committee or))~~ party;

22 (4) Donate the surplus to a charitable organization registered in  
23 accordance with chapter 19.09 RCW;

24 (5) Transmit the surplus to the state treasurer for deposit in the  
25 general fund; or

26 (6) Hold the surplus in the campaign depository or depositories  
27 designated in accordance with RCW 42.17.050 for possible use in a  
28 future election campaign ~~((, for political activity, for community  
29 activity, or for nonreimbursed public office related expenses))~~ for the

1 same office last sought by the candidate and report any such  
2 disposition in accordance with RCW 42.17.090: PROVIDED, That if the  
3 candidate subsequently announces or publicly files for office,  
4 information as appropriate is reported to the commission in accordance  
5 with RCW 42.17.040 through 42.17.090. If a subsequent office is not  
6 sought the surplus held shall be disposed of in accordance with the  
7 requirements of this section.

8 (7) No candidate or authorized committee may transfer funds to any  
9 other candidate or other political committee.

10 **Sec. 22.** RCW 42.17.105 and 1989 c 280 s 11 are each amended to  
11 read as follows:

12 (1) Campaign treasurers shall prepare and deliver to the commission  
13 a special report regarding any contribution which:

14 (a) Exceeds five hundred dollars;

15 (b) Is from a single person or entity;

16 (c) Is received before a primary or general election; and

17 (d) Is received: (i) After the period covered by the last report  
18 required by RCW 42.17.080 and 42.17.090 to be filed before that  
19 primary; or (ii) within twenty-one days preceding that general  
20 election.

21 (2) Any political committee making a contribution which exceeds  
22 five hundred dollars shall also prepare and deliver to the commission  
23 the special report if the contribution is made before a primary or  
24 general election and: (a) After the period covered by the last report  
25 required by RCW 42.17.080 and 42.17.090 to be filed before that  
26 primary; or (b) within twenty-one days preceding that general election.

27 (3) Except as provided in subsection (4) of this section, the  
28 special report required by this section shall be delivered in written  
29 form, including but not limited to mailgram, telegram, or nightletter.

1 The special report required by subsection (1) of this section shall be  
2 delivered to the commission within forty-eight hours of the time, or on  
3 the first working day after, the contribution is received by the  
4 candidate or campaign treasurer. The special report required by  
5 subsection (2) of this section and RCW 42.17.175 shall be delivered to  
6 the commission, and the candidate or political committee to whom the  
7 contribution is made, within twenty-four hours of the time, or on the  
8 first working day after, the contribution is made.

9 (4) The special report may be transmitted orally by telephone to  
10 the commission to satisfy the delivery period required by subsection  
11 (3) of this section if the written form of the report is also mailed to  
12 the commission and postmarked within the delivery period established in  
13 subsection (3) of this section.

14 (5) The special report shall include at least:

15 (a) The amount of the contribution;

16 (b) The date of receipt;

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

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

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

20 (6) Contributions reported under this section shall also be  
21 reported as required by other provisions of this chapter.

22 (7) The commission shall publish daily a summary of the special  
23 reports made under this section and RCW 42.17.175.

24 (8) It is a violation of this chapter for ~~((any person to make, or~~  
25 ~~for any candidate or political committee to accept from any one person,~~  
26 ~~contributions reportable under RCW 42.17.090 in the aggregate exceeding~~  
27 ~~fifty thousand dollars for any campaign for state wide office or~~  
28 ~~exceeding five thousand dollars for any other campaign subject to the~~  
29 ~~provisions of this chapter within twenty one days of a general~~  
30 ~~election. This subsection does not apply to contributions made by, or~~

1 ~~accepted from, a major Washington state political party as defined in~~  
2 ~~RCW 29.01.090))~~ a bona fide political party or caucus of the state  
3 legislature to make, or for a candidate for state-wide office to accept  
4 from a bona fide political party or caucus of the state legislature,  
5 contributions reportable under RCW 42.17.090 in the aggregate exceeding  
6 fifty thousand dollars within the twenty-one days preceding a general  
7 election.

8 (9) It is a violation of this chapter for a bona fide political  
9 party or caucus of the state legislature to make, or for any candidate  
10 for the state legislature to accept from a bona fide political party or  
11 a caucus of the state legislature, contributions reportable under RCW  
12 42.17.090 in the aggregate exceeding five thousand dollars within  
13 twenty-one days of a general election.

14 (10) It is a violation of this chapter for any person to make, or  
15 for any candidate other than a candidate for state-wide office or for  
16 the state legislature to accept from any one person, contributions  
17 reportable under RCW 42.17.090 in the aggregate exceeding five thousand  
18 dollars within twenty-one days of a general election. This subsection  
19 does not apply to contributions made by, or accepted from, a major  
20 Washington state political party as defined in RCW 29.01.090.

21 **Sec. 23.** RCW 42.17.125 and 1989 c 280 s 12 are each amended to  
22 read as follows:

23 Contributions received and reported in accordance with RCW  
24 42.17.060 through 42.17.090 may only be transferred to the personal  
25 account of a candidate, or of a treasurer or other individual or  
26 expended for such individual's personal use under the following  
27 circumstances:

28 (1) Reimbursement for or loans to cover lost earnings incurred as  
29 a result of campaigning or services performed for the committee. Such

1 lost earnings shall be verifiable as unpaid salary, or when the  
2 individual is not salaried, as an amount not to exceed income received  
3 by the individual for services rendered during an appropriate,  
4 corresponding time period. All lost earnings incurred shall be  
5 documented and a record thereof shall be maintained by the individual  
6 or the individual's political committee. The committee shall include  
7 a copy of such record when its expenditure for such reimbursement is  
8 reported pursuant to RCW 42.17.090.

9 (2) Reimbursement for direct out-of-pocket election campaign and  
10 postelection campaign related expenses made by the individual. To  
11 receive reimbursement from the political committee, the individual  
12 shall provide the committee with written documentation as to the  
13 amount, date, and description of each expense, and the committee shall  
14 include a copy of such information when its expenditure for such  
15 reimbursement is reported pursuant to RCW 42.17.090.

16 (3) Repayment of loans made by the individual to political  
17 committees, which repayment shall be reported pursuant to RCW  
18 42.17.090. However, contributions may not be used to reimburse a  
19 candidate for loans totalling more than three thousand dollars made by  
20 the candidate to the candidate's own authorized committee or campaign.

21 PART IV

22 INDEPENDENT EXPENDITURES

23 **Sec. 24.** RCW 42.17.510 and 1984 c 216 s 1 are each amended to read  
24 as follows:

25 (1) All written political advertising, whether relating to  
26 candidates or ballot propositions, shall include the sponsor's name and  
27 address. All radio and television political advertising, whether  
28 relating to candidates or ballot propositions, shall include the

1 sponsor's name. The use of an assumed name shall be unlawful. The  
2 party with which a candidate files shall be clearly identified in  
3 political advertising for partisan office.

4 (2) In addition to the materials required by subsection (1) of this  
5 section, all political advertising undertaken as an independent  
6 expenditure by a person or entity other than a party organization shall  
7 include the following statement on the communication "NOTICE TO VOTERS  
8 (Required by Law): This advertisement is not authorized or approved by  
9 any candidate. It is paid for by (name, address, city, state)." If  
10 the advertisement is undertaken by a nonindividual, then the following  
11 notation shall also be included: "Top Five Contributors", followed by  
12 a listing of the names of the five persons or entities making the  
13 largest contributions reportable under this chapter during the twelve-  
14 month period before the date of the advertisement.

15 (3) The statements and listing of contributors required by  
16 subsections (1) and (2) of this section shall:

17 (a) Appear on each page or fold of the written communication in at  
18 least ten-point type, or in type at least ten percent of the largest  
19 size type used in a written communication directed at more than one  
20 voter, such as a billboard or poster, whichever is larger;

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

22 (c) Be in a printed or drawn box set apart from any other printed  
23 matter; and

24 (d) Be clearly spoken on any broadcast advertisement.

25 (4) Political yard signs are exempt from the requirement of  
26 subsections (1) and (2) of this section that the name and address of  
27 the sponsor of political advertising be listed on the advertising. In  
28 addition, the public disclosure commission shall, by rule, exempt from  
29 the identification requirements of subsections (1) and (2) of this  
30 section forms of political advertising such as campaign buttons,

1 balloons, pens, pencils, sky-writing, inscriptions, and other forms of  
2 advertising where identification is impractical.

3 ~~((3))~~ (5) For the purposes of this section, "yard sign" means any  
4 outdoor sign with dimensions no greater than eight feet by four feet.

5 NEW SECTION. **Sec. 25.** INDEPENDENT EXPENDITURES. A person or  
6 entity making an independent expenditure by mailing one thousand or  
7 more identical or nearly identical cumulative pieces of political  
8 advertising in a single calendar year shall, within one day after the  
9 time of the mailing, file an example of the mailed political  
10 advertising with the election officer of the county of residence for  
11 the candidate supported or opposed by the independent campaign  
12 expenditure or, in the case of an expenditure made in support of or in  
13 opposition to a ballot proposition, the county of residence for the  
14 person making the expenditure.

15 PART V

16 USE OF PUBLIC FUNDS/OFFICE FOR POLITICAL PURPOSES

17 NEW SECTION. **Sec. 26.** During the twelve-month period preceding  
18 the expiration of a state legislator's term in office, no incumbent to  
19 that office may mail to a constituent at public expense a letter,  
20 newsletter, brochure, or other piece of literature that is not in  
21 direct response to that constituent's request for a response or for  
22 information. However, one mailing mailed within thirty days after the  
23 start of a regular legislative session and one mailing mailed within  
24 sixty days after the end of a regular legislative session of identical  
25 newsletters to constituents are permitted. A violation of this section  
26 constitutes use of the facilities of a public office for the purpose of  
27 assisting a campaign under RCW 42.17.130.



1       The house of representatives and senate shall specifically limit  
2 expenditures per member for the total cost of mailings, including but  
3 not limited to production costs, printing costs, and postage.

4       **Sec. 27.** RCW 41.04.230 and 1988 c 107 s 19 are each amended to  
5 read as follows:

6       Any official of the state authorized to disburse funds in payment  
7 of salaries and wages of public officers or employees is authorized,  
8 upon written request of the officer or employee, to deduct from the  
9 salaries or wages of the officers or employees, the amount or amounts  
10 of subscription payments, premiums, contributions, or continuation  
11 thereof, for payment of the following:

12       (1) Credit union deductions: PROVIDED, That the credit union is  
13 organized solely for public employees: AND PROVIDED FURTHER, That  
14 twenty-five or more employees of a single state agency or a total of  
15 one hundred or more state employees of several agencies have authorized  
16 such a deduction for payment to the same credit union.

17       (2) Parking fee deductions: PROVIDED, That payment is made for  
18 parking facilities furnished by the agency or by the department of  
19 general administration.

20       (3) U.S. savings bond deductions: PROVIDED, That a person within  
21 the particular agency shall be appointed to act as trustee. The  
22 trustee will receive all contributions; purchase and deliver all bond  
23 certificates; and keep such records and furnish such bond or security  
24 as will render full accountability for all bond contributions.

25       (4) Board, lodging or uniform deductions when such board, lodging  
26 and uniforms are furnished by the state, or deductions for academic  
27 tuitions or fees or scholarship contributions payable to the employing  
28 institution.

1 (5) Dues and other fees deductions: PROVIDED, That the deduction  
2 is for payment of membership dues to any professional organization  
3 formed primarily for public employees or college and university  
4 professors: AND PROVIDED, FURTHER, That twenty-five or more employees  
5 of a single state agency, or a total of one hundred or more state  
6 employees of several agencies have authorized such a deduction for  
7 payment to the same professional organization.

8 (6) Labor or employee organization dues may be deducted in the  
9 event that a payroll deduction is not provided under a collective  
10 bargaining agreement under the provisions of RCW 41.06.150: PROVIDED,  
11 That twenty-five or more officers or employees of a single agency, or  
12 a total of one hundred or more officers or employees of several  
13 agencies have authorized such a deduction for payment to the same labor  
14 or employee organization: PROVIDED, FURTHER, That labor or employee  
15 organizations with five hundred or more members in state government may  
16 have payroll deduction for employee benefit programs.

17 ~~(7) ((Voluntary deductions for political committees duly registered  
18 with the public disclosure commission and/or the federal election  
19 commission: PROVIDED, That twenty five or more officers or employees  
20 of a single agency or a total of one hundred or more officers or  
21 employees of several agencies have authorized such a deduction for  
22 payment to the same political committee.~~

23 ~~(8))~~ Insurance contributions to the authority for payment of  
24 premiums under contracts authorized by the state health care authority.

25 Deductions from salaries and wages of public officers and employees  
26 other than those enumerated in this section or by other law, may be  
27 authorized by the director of financial management for purposes clearly  
28 related to state employment or goals and objectives of the agency and  
29 for plans authorized by the state health care authority.

1 The authority to make deductions from the salaries and wages of  
2 public officers and employees as provided for in this section shall be  
3 in addition to such other authority as may be provided by law:  
4 PROVIDED, That the state or any department, division, or separate  
5 agency of the state shall not be liable to any insurance carrier or  
6 contractor for the failure to make or transmit any such deduction.

7 PART VI

8 POLITICAL EXPENDITURE AND CONTRIBUTION REPORTING

9 **Sec. 28.** RCW 42.17.180 and 1990 c 139 s 4 are each amended to read  
10 as follows:

11 (1) Every employer of a lobbyist registered under this chapter  
12 during the preceding calendar year and every person other than an  
13 individual that made contributions or independent expenditures  
14 reportable under this chapter that in the aggregate exceeded five  
15 hundred dollars during the preceding calendar year shall file with the  
16 commission on or before (~~March 31st~~) the last day of February of each  
17 year a statement disclosing for the preceding calendar year the  
18 following information:

19 (a) The name of each state elected official and the name of each  
20 candidate for state office who was elected to the office and any member  
21 of the immediate family of those persons to whom the (~~employer~~)  
22 person other than an individual reporting has paid any compensation in  
23 the amount of five hundred dollars or more during the preceding  
24 calendar year for personal employment or professional services,  
25 including professional services rendered by a corporation, partnership,  
26 joint venture, association, union, or other entity in which the person  
27 holds any office, directorship, or any general partnership interest, or  
28 an ownership interest of ten percent or more, the value of the

1 compensation in accordance with the reporting provisions set out in RCW  
2 42.17.241(2), and the consideration given or performed in exchange for  
3 the compensation.

4 (b) The name of each state elected official, successful candidate  
5 for state office, or members of his immediate family to whom the  
6 (~~lobbyist employer~~) person other than an individual reporting made  
7 expenditures, directly or indirectly, either through a lobbyist or  
8 otherwise, the amount of the expenditures and the purpose for the  
9 expenditures. For the purposes of this subsection, the term  
10 expenditure shall not include any expenditure made by the employer in  
11 the ordinary course of business if the expenditure is not made for the  
12 purpose of influencing, honoring, or benefiting the elected official,  
13 successful candidate, or member of his immediate family, as an elected  
14 official or candidate.

15 (c) The total expenditures made by the (~~employer~~) person other  
16 than an individual reporting for lobbying purposes, whether through or  
17 on behalf of a registered lobbyist or otherwise.

18 (d) All contributions made to a (~~candidate for state office, to~~  
19 a)) political committee supporting or opposing a candidate for state  
20 office, or to a political committee supporting or opposing a state-wide  
21 ballot proposition. Such contributions shall be identified by the name  
22 and the address of the recipient and the aggregate amount contributed  
23 to each such recipient.

24 (e) The name and address of each registered lobbyist employed by  
25 the (~~employer~~) person other than an individual reporting and the  
26 total expenditures made by (~~the employer~~) each such person other than  
27 an individual for each such lobbyist for lobbying purposes.

28 (f) The names, offices sought, and party affiliations of candidates  
29 for state office supported or opposed by independent expenditures of

1 the person other than an individual reporting and the amount of each  
2 such expenditure.

3 (g) The identifying proposition number and a brief description of  
4 any state-wide ballot proposition supported or opposed by expenditures  
5 not reported under (d) of this subsection and the amount of each such  
6 expenditure.

7 (h) Such other information as the commission prescribes by rule.

8 (2) (a) Except as provided in (b) of this subsection, an employer  
9 of a lobbyist registered under this chapter shall file a special report  
10 with the commission if the employer makes a contribution or  
11 contributions aggregating more than one hundred dollars in a calendar  
12 month to any one of the following: A candidate, elected official,  
13 officer or employee of an agency, or political committee. The report  
14 shall identify the date and amount of each such contribution and the  
15 name of the candidate, elected official, agency officer or employee, or  
16 political committee receiving the contribution or to be benefited by  
17 the contribution. The report shall be filed on a form prescribed by  
18 the commission and shall be filed within fifteen days after the last  
19 day of the calendar month during which the contribution was made.

20 (b) The provisions of (a) of this subsection do not apply to a  
21 contribution which is made through a registered lobbyist and reportable  
22 under RCW 42.17.170.

23 PART VII

24 PENALTIES

25 **Sec. 29.** RCW 42.17.390 and 1973 c 1 s 39 are each amended to read  
26 as follows:

1       (~~(1)~~) One or more of the following civil remedies and sanctions  
2 may be imposed by court order in addition to any other remedies  
3 provided by law:

4       (~~(a)~~) (1) If the court finds that the violation of any provision  
5 of this chapter by any candidate or political committee probably  
6 affected the outcome of any election, the result of said election may  
7 be held void and a special election held within sixty days of such  
8 finding. Any action to void an election shall be commenced within one  
9 year of the date of the election in question. It is intended that this  
10 remedy be imposed freely in all appropriate cases to protect the right  
11 of the electorate to an informed and knowledgeable vote.

12       (~~(b)~~) (2) If any lobbyist or sponsor of any grass roots lobbying  
13 campaign violates any of the provisions of this chapter, his  
14 registration may be revoked or suspended and he may be enjoined from  
15 receiving compensation or making expenditures for lobbying: PROVIDED,  
16 HOWEVER, That imposition of such sanction shall not excuse said  
17 lobbyist from filing statements and reports required by this chapter.

18       (~~(c)~~) (3) Any person who violates any of the provisions of this  
19 chapter may be subject to a civil penalty of not more than ten thousand  
20 dollars for each such violation. However, a person or entity who  
21 violates section 4 of this act may be subject to a civil penalty of ten  
22 thousand dollars or three times the amount of the contribution  
23 illegally made or accepted, whichever is greater.

24       (~~(d)~~) (4) Any person who fails to file a properly completed  
25 statement or report within the time required by this chapter may be  
26 subject to a civil penalty of ten dollars per day for each day each  
27 such delinquency continues.

28       (~~(e)~~) (5) Any person who fails to report a contribution or  
29 expenditure may be subject to a civil penalty equivalent to the amount  
30 he failed to report.



1        NEW SECTION.    **Sec. 33.**    CODIFICATION DIRECTIONS.    (1) Sections 1  
2 through 20 of this act are each added to chapter 42.17 RCW as a  
3 subchapter and codified with the subchapter heading of "CAMPAIGN  
4 CONTRIBUTION LIMITATIONS."

5        (2) Sections 25, 26, and 30 of this act are each added to chapter  
6 42.17 RCW.

7        NEW SECTION.    **Sec. 34.**    REPEALER.    RCW 42.17.243 and 1977 ex.s. c  
8 336 s 5 are each repealed.

9        NEW SECTION.    **Sec. 35.**    HEADINGS AND CAPTIONS.    Part headings and  
10 section captions as used in this act do not constitute any part of the  
11 law.

12        NEW SECTION.    **Sec. 36.**    EFFECTIVE DATE.    This act shall take effect  
13 December 1, 1992.

14        NEW SECTION.    **Sec. 37.**    SEVERABILITY.    If any provision of this act  
15 or its application to any person or circumstance is held invalid, the  
16 remainder of the act or the application of the provision to other  
17 persons or circumstances is not affected.