CERTIFICATION OF ENROLLMENT

THIRD SUBSTITUTE HOUSE BILL 1226

Chapter 348, Laws of 2006

59th Legislature 2006 Regular Session

CAMPAIGN CONTRIBUTION LIMITS

EFFECTIVE DATE: 6/7/06

Passed by the House March 4, 2006 Yeas 56 Nays 40

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 1, 2006 Yeas 36 Nays 11

BRAD OWEN

President of the Senate

Approved March 30, 2006.

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **THIRD SUBSTITUTE HOUSE BILL 1226** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

March 30, 2006 - 3:11 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

THIRD SUBSTITUTE HOUSE BILL 1226

AS AMENDED BY THE SENATE

Passed Legislature - 2006 Regular Session

State of Washington 59th Legislature 2006 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Schual-Berke, Tom, Haigh, Cody, Fromhold, Jarrett, Hudgins, Conway, Appleton, Flannigan, Murray, McCoy, Lantz, Hasegawa, Williams, Kagi, Ormsby, Morrell, Chase, Dickerson, Kenney and Sells)

READ FIRST TIME 2/7/06.

AN ACT Relating to campaign contribution limits; amending RCW 42.17.640, 42.17.700, 42.17.710, and 42.17.093; and adding new sections to chapter 42.17 RCW.

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

5	Sec. 1. RCW 42.17.640 and 2005 c 445 s 11 are each amended to read
6	as follows:
7	(1) The contribution limits in this section apply to:
8	(a) Candidates for state legislative office;
9	(b) Candidates for state office other than state legislative
10	<u>office;</u>
11	(c) Candidates for county office in a county that has over two
12	hundred thousand registered voters;
13	(d) Candidates for special purpose district office if that district
14	is authorized to provide freight and passenger transfer and terminal
15	facilities and that district has over two hundred thousand registered
16	voters;
17	(e) Persons holding an office in (a) through (d) of this subsection
18	against whom recall charges have been filed or to a political committee

1 <u>having the expectation of making expenditures in support of the recall</u>

2 of a person holding the office;

3 <u>(f) Caucus political committees;</u>

4

<u>(g) Bona fide political parties.</u>

(2) No person, other than a bona fide political party or a caucus 5 political committee, may make contributions to a candidate for a state б 7 legislative office or county office that in the aggregate exceed seven hundred dollars or to a candidate for a public office in a special 8 purpose district or a state office other than a state legislative 9 10 office that in the aggregate exceed one thousand four hundred dollars for each election in which the candidate is on the ballot or appears as 11 12 a write-in candidate. Contributions to candidates subject to the 13 limits in this section made with respect to a primary may not be made 14 after the date of the primary. However, contributions to a candidate or a candidate's authorized committee may be made with respect to a 15 primary until thirty days after the primary, subject to the following 16 (a) The candidate lost the primary; (b) the candidate's 17 limitations: authorized committee has insufficient funds to pay debts outstanding as 18 of the date of the primary; and (c) the contributions may only be 19 raised and spent to satisfy the outstanding debt. Contributions to 20 21 candidates subject to the limits in this section made with respect to 22 a general election may not be made after the final day of the 23 applicable election cycle.

24 (((2))) <u>(3)</u> No person, other than a bona fide political party or a 25 caucus political committee, may make contributions to a state official, a county official, or a public official in a special purpose district 26 27 against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of 28 the recall of the state official, county official, or public official 29 in a special purpose district during a recall campaign that in the 30 31 aggregate exceed seven hundred dollars if for a state legislative 32 office or county office or one thousand four hundred dollars if for a special purpose district office or a state office other than a state 33 legislative office. 34

35 (((3))) (4)(a) Notwithstanding subsection (((1))) (2) of this 36 section, no bona fide political party or caucus political committee may 37 make contributions to a candidate during an election cycle that in the 38 aggregate exceed (i) seventy cents multiplied by the number of eligible 1 registered voters in the jurisdiction from which the candidate is 2 elected if the contributor is a caucus political committee or the 3 governing body of a state organization, or (ii) thirty-five cents 4 multiplied by the number of registered voters in the jurisdiction from 5 which the candidate is elected if the contributor is a county central 6 committee or a legislative district committee.

7 (b) No candidate may accept contributions from a county central 8 committee or a legislative district committee during an election cycle 9 that when combined with contributions from other county central 10 committees or legislative district committees would in the aggregate 11 exceed thirty-five cents times the number of registered voters in the 12 jurisdiction from which the candidate is elected.

13 (((4))) <u>(5)</u>(a) Notwithstanding subsection (((2))) <u>(3)</u> of this 14 section, no bona fide political party or caucus political committee may make contributions to a state official, county official, or a public 15 official in a special purpose district against whom recall charges have 16 17 been filed, or to a political committee having the expectation of making expenditures in support of the state official, county official, 18 or a public official in a special purpose district during a recall 19 campaign that in the aggregate exceed (i) seventy cents multiplied by 20 21 the number of eligible registered voters in the jurisdiction entitled 22 to recall the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) 23 24 thirty-five cents multiplied by the number of registered voters in the 25 jurisdiction from which the candidate is elected if the contributor is 26 a county central committee or a legislative district committee.

27 (b) No ((state)) official holding an office specified in subsection (1) of this section against whom recall charges have been filed, no 28 authorized committee of the official, and no political committee having 29 the expectation of making expenditures in support of the recall of ((a 30 state)) the official may accept contributions from a county central 31 32 committee or a legislative district committee during an election cycle that when combined with contributions from other county central 33 committees or legislative district committees would in the aggregate 34 35 exceed thirty-five cents multiplied by the number of registered voters 36 in the jurisdiction from which the candidate is elected.

37 (((-5))) (6) For purposes of determining contribution limits under

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subsections (((3) and)) (4) and (5) of this section, the number of eligible registered voters in a jurisdiction is the number at the time of the most recent general election in the jurisdiction.

(((6))) <u>(7)</u> Notwithstanding subsections (((1))) <u>(2)</u> through (((4)))4 5 (5) of this section, no person other than an individual, bona fide political party, or caucus political committee may make contributions б 7 reportable under this chapter to a caucus political committee that in the aggregate exceed seven hundred dollars in a calendar year or to a 8 9 bona fide political party that in the aggregate exceed three thousand 10 five hundred dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business. 11

12 (((7))) (8) For the purposes of RCW 42.17.640 through 42.17.790, a 13 contribution to the authorized political committee of a candidate(($_{7}$)) 14 or of ((a state)) an official specified in subsection (1) of this 15 section against whom recall charges have been filed(($_{7}$)) is considered 16 to be a contribution to the candidate or ((state)) official.

17 (((+8+))) (9) A contribution received within the twelve-month period 18 after a recall election concerning ((-a+state)) an office specified in 19 subsection (1) of this section is considered to be a contribution 20 during that recall campaign if the contribution is used to pay a debt 21 or obligation incurred to influence the outcome of that recall 22 campaign.

(((+))) (10) The contributions allowed by subsection ((+)) (3) of this section are in addition to those allowed by subsection ((+)) (2)of this section, and the contributions allowed by subsection ((+))(5) of this section are in addition to those allowed by subsection ((+)) (4) of this section.

(((10))) (11) RCW 42.17.640 through 42.17.790 apply to a special election conducted to fill a vacancy in ((a state)) an office specified in subsection (1) of this section. However, the contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not be counted toward any of the limitations that apply to the candidate or to contributions made to the candidate for any other primary or election.

35 (((11))) <u>(12)</u> Notwithstanding the other subsections of this 36 section, no corporation or business entity not doing business in 37 Washington state, no labor union with fewer than ten members who reside 38 in Washington state, and no political committee that has not received 1 contributions of ten dollars or more from at least ten persons 2 registered to vote in Washington state during the preceding one hundred 3 eighty days may make contributions reportable under this chapter to a 4 candidate, to a state official against whom recall charges have been 5 filed, or to a political committee having the expectation of making 6 expenditures in support of the recall of the official. This subsection 7 does not apply to loans made in the ordinary course of business.

(((12))) (13) Notwithstanding the other subsections of this 8 section, no county central committee or legislative district committee 9 may make contributions reportable under this chapter to a candidate((7 10 state official)) specified in subsection (1) of this section, or an 11 official specified in subsection (1) of this section against whom 12 13 recall charges have been filed, or political committee having the 14 expectation of making expenditures in support of the recall of ((a state)) an official specified in subsection (1) of this section if the 15 county central committee or legislative district committee is outside 16 17 of the jurisdiction entitled to elect the candidate or recall the ((state)) official. 18

19 (((13))) (14) No person may accept contributions that exceed the 20 contribution limitations provided in this section.

21 (((+14))) (15) The following contributions are exempt from the 22 contribution limits of this section:

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

(b) An expenditure by a political committee for its own internal
 organization or fund raising without direct association with individual
 candidates.

31 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 42.17 RCW 32 to read as follows:

(1) No person may make contributions to a candidate for judicial office that in the aggregate exceed one thousand four hundred dollars for each election in which the candidate is on the ballot or appears as a write-in candidate. Contributions made with respect to a primary may not be made after the date of the primary. However, contributions to

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a candidate or a candidate's authorized committee may be made with 1 2 respect to a primary until thirty days after the primary, subject to the following limitations: (a) The candidate lost the primary; (b) the 3 candidate's authorized committee has insufficient funds to pay debts 4 5 outstanding as of the date of the primary; and (c) the contributions may only be raised and spent to satisfy the outstanding debt. б 7 Contributions made with respect to a general election may not be made after the final day of the applicable election cycle. 8

9 (2) This section through RCW 42.17.790 apply to a special election 10 conducted to fill a vacancy in an office. However, the contributions 11 made to a candidate or received by a candidate for a primary or special 12 election conducted to fill such a vacancy will not be counted toward 13 any of the limitations that apply to the candidate or to contributions 14 made to the candidate for any other primary or election.

(3) No person may accept contributions that exceed the contributionlimitations provided in this section.

17 (4) The dollar limits in this section must be adjusted according to18 RCW 42.17.690.

19 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 42.17 RCW 20 to read as follows:

The commission shall adopt rules to carry out the policies of this act and is not subject to the time restrictions of RCW 42.17.370(1).

23 **Sec. 4.** RCW 42.17.700 and 1993 c 2 s 10 are each amended to read 24 as follows:

25 (1) Contributions to candidates for state office made and received 26 before December 3, 1992, are considered to be contributions under RCW 27 42.17.640 through 42.17.790. Monetary contributions that exceed the 28 contribution limitations and that have not been spent by the recipient 29 of the contribution by December 3, 1992, must be disposed of in 30 accordance with RCW 42.17.095.

31 (2) Contributions to other candidates subject to the contribution 32 limits of this chapter made and received before the effective date of 33 this act are considered to be contributions under RCW 42.17.640 through 34 42.17.790. Contributions that exceed the contribution limitations and 35 that have not been spent by the recipient of the contribution by the 1 effective date of this act must be disposed of in accordance with RCW

2 <u>42.17.095 except for subsections (6) and (7) of that section.</u>

3 **Sec. 5.** RCW 42.17.710 and 2003 c 164 s 3 are each amended to read 4 as follows:

(1) During the period beginning on the thirtieth day before the 5 6 date a regular legislative session convenes and continuing thirty days 7 past the date of final adjournment, and during the period beginning on the date a special legislative session convenes and continuing through 8 the date that session adjourns, no state official or a person employed 9 by or acting on behalf of a state official or state legislator may 10 11 solicit or accept contributions to a public office fund, to a candidate or authorized committee, or to retire a campaign debt. Contributions 12 received through the mail after the thirtieth day before a regular 13 legislative session may be accepted if the contribution is postmarked 14 prior to the thirtieth day before the session. 15

16 (2) This section does not apply to activities authorized in RCW 17 43.07.370.

18 Sec. 6. RCW 42.17.093 and 2003 c 123 s 2 are each amended to read 19 as follows:

(1) An out-of-state political committee organized for the purpose of supporting or opposing candidates or ballot propositions in another state that is not otherwise required to report under RCW 42.17.040 through 42.17.090 shall report as required in this section when it makes an expenditure supporting or opposing a Washington state candidate or political committee. The committee shall file with the commission a statement disclosing:

27 (a) Its name and address;

28 (b) The purposes of the out-of-state committee;

(c) The names, addresses, and titles of its officers or, if it has no officers, the names, addresses, and the titles of its responsible leaders;

32 (d) The name, office sought, and party affiliation of each 33 candidate in the state of Washington whom the out-of-state committee is 34 supporting or opposing and, if such committee is supporting or opposing 35 the entire ticket of any party, the name of the party;

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(e) The ballot proposition supported or opposed in the state of
 Washington, if any, and whether such committee is in favor of or
 opposed to such proposition;

4 (f) The name and address of each person residing in the state of 5 Washington or corporation which has a place of business in the state of 6 Washington who has made one or more contributions in the aggregate of 7 more than twenty-five dollars to the out-of-state committee during the 8 current calendar year, together with the money value and date of such 9 contributions;

10 (q) The name, address, and employer of each person or corporation residing outside the state of Washington who has made one or more 11 12 contributions in the aggregate of more than two thousand five hundred 13 dollars to the out-of-state committee during the current calendar year, 14 together with the money value and date of such contributions. Annually, the commission must modify the two thousand five hundred 15 dollar limit in this subsection based on percentage change in the 16 implicit price deflator for personal consumption expenditures for the 17 United States as published for the most recent twelve-month period by 18 19 the bureau of economic analysis of the federal department of commerce;

20 (h) The name and address of each person in the state of Washington 21 to whom an expenditure was made by the out-of-state committee with 22 respect to a candidate or political committee in the aggregate amount 23 of more than fifty dollars, the amount, date, and purpose of such 24 expenditure, and the total sum of such expenditures; and

25 (((h))) <u>(i)</u> Such other information as the commission may prescribe 26 by rule in keeping with the policies and purposes of this chapter.

(2) Each statement shall be filed no later than the ((twentieth)) tenth day of the month following any month in which a contribution or other expenditure reportable under subsection (1) of this section is made. An out-of-state committee incurring an obligation to file additional statements in a calendar year may satisfy the obligation by timely filing reports that supplement previously filed information.

33 (((3) A political committee required to file campaign reports with 34 the federal election commission or its successor is exempt from 35 reporting under this section.))

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NEW SECTION. Sec. 7. If any provision of this act or its

- 1 application to any person or circumstance is held invalid, the
- 2 remainder of the act or the application of the provision to other
- 3 persons or circumstances is not affected.
 - Passed by the House March 4, 2006. Passed by the Senate March 1, 2006. Approved by the Governor March 30, 2006. Filed in Office of Secretary of State March 30, 2006.