SENATE BILL 5029

State of Washington 61st Legislature 2009 Regular Session

By Senators Oemig, Fairley, Roach, Swecker, and McDermott; by request of Public Disclosure Commission

Read first time 01/12/09. Referred to Committee on Government Operations & Elections.

1	AN ACT R	Relating to 1	reorganizing	and making t	echnical cla	rifications
2	to campaign	contributio	on and discl	osure laws; a	amending RCW	42.17.020,
3	42.17.367,	42.17.369,	42.17.461,	42.17.463,	42.17.350,	42.17.360,
4	42.17.370,	42.17.690,	42.17.380,	42.17.405,	42.17.420,	42.17.450,
5	42.17.030,	42.17.040,	42.17.050,	42.17.060,	42.17.065,	42.17.067,
6	42.17.080,	42.17.090,	42.17.3691,	42.17.093,	42.17.100,	42.17.103,
7	42.17.105,	42.17.550,	42.17.135,	42.17.561,	42.17.565,	42.17.570,
8	42.17.575,	42.17.510,	42.17.520,	42.17.540,	42.17.110,	42.17.610,
9	42.17.640,	42.17.645,	42.17.070,	42.17.095,	42.17.125,	42.17.660,
10	42.17.720,	42.17.740,	42.17.790,	42.17.680,	42.17.130,	42.17.245,
11	42.17.150,	42.17.155,	42.17.160,	42.17.170,	42.17.172,	42.17.175,
12	42.17.180,	42.17.190,	42.17.200,	42.17.210,	42.17.220,	42.17.230,
13	42.17.240,	42.17.241,	42.17.242,	42.17.390,	42.17.395,	42.17.397,
14	42.17.400,	and 42.56.0	10; reenac	ting and am	ending RCW 4	12.17.2401;
15	adding a r	new chapter	to Title	42 RCW; c	reating new	sections;
16	recodifying RCW 42.17.010, 42.17.020, 42.17.035, 42.17.440, 42.17.367,					
17	42.17.369,	42.17.460,	42.17.461,	42.17.463,	42.17.350,	42.17.360,
18	42.17.370,	42.17.690,	42.17.380,	42.17.405,	42.17.420,	42.17.430,
19	42.17.450,	42.17.030,	42.17.040,	42.17.050,	42.17.060,	42.17.065,
20	42.17.067,	42.17.080,	42.17.090,	42.17.3691,	42.17.093,	42.17.100,
21	42.17.103,	42.17.105,	42.17.550,	42.17.135,	42.17.561,	42.17.565,

1 42.17.570, 42.17.575, 42.17.510, 42.17.520, 42.17.530, 42.17.540, 2 42.17.110, 42.17.610, 42.17.640, 42.17.645, 42.17.700, 42.17.070, 3 42.17.095, 42.17.120, 42.17.125, 42.17.650, 42.17.660, 42.17.670, 42.17.780, 4 42.17.720, 42.17.730, 42.17.740, 42.17.770, 42.17.790, 42.17.680, 42.17.710, 5 42.17.760, 42.17.128, 42.17.130, 42.17.750, 42.17.245, 42.17.150, 42.17.155, 42.17.160, 42.17.170, 42.17.172, 6 7 42.17.175, 42.17.180, 42.17.190, 42.17.200, 42.17.210, 42.17.220, 8 42.17.230, 42.17.240, 42.17.2401, 42.17.242, 42.17.390, 42.17.241, 42.17.395, 42.17.910, 9 42.17.397, 42.17.400, 42.17.410, 42.17.900, 10 42.17.911, 42.17.912, 42.17.920, 42.17.930, 42.17.940, 42.17.945, 42.17.950, 42.17.955, 42.17.960, 42.17.961, 42.17.962, 11 42.17.963, 12 42.17.964, 42.17.965, and 42.17.966; repealing RCW 42.17.131, 13 42.17.362, 42.17.365, 42.17.375, 42.17.465, 42.17.467, 42.17.469, 14 42.17.471, 42.17.562, 42.17.620, and 42.17.647; and providing an 15 effective date.

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

17 <u>NEW SECTION.</u> **Sec. 1.** It is the intent of the legislature that 18 chapter 42.17 RCW be reorganized and clarified. It is not the intent 19 of this act to make any substantive changes to chapter 42.17 RCW.

PART 1

GENERAL PROVISIONS

22 **Sec. 101.** RCW 42.17.020 and 2008 c 6 s 201 are each amended to 23 read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Actual malice" means to act with knowledge of falsity or withreckless disregard as to truth or falsity.

(2) "Agency" includes all state agencies and all local agencies.
"State agency" includes every state office, department, division,
bureau, board, commission, or other state agency. "Local agency"
includes every county, city, town, municipal corporation, quasimunicipal corporation, or special purpose district, or any office,
department, division, bureau, board, commission, or agency thereof, or
other local public agency.

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

5 (4) "Ballot proposition" means any "measure" as defined by RCW 6 29A.04.091, or any initiative, recall, or referendum proposition 7 proposed to be submitted to the voters of the state or any municipal 8 corporation, political subdivision, or other voting constituency from 9 and after the time when the proposition has been initially filed with 10 the appropriate election officer of that constituency ((prior to)) 11 <u>before</u> its circulation for signatures.

(5) "Benefit" means a commercial, proprietary, financial, economic,
or monetary advantage, or the avoidance of a commercial, proprietary,
financial, economic, or monetary disadvantage.

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(6) "Bona fide political party" means:

(a) An organization that has filed a valid certificate of
 nomination with the secretary of state under chapter 29A.20 RCW;

(b) The governing body of the state organization of a major political party, as defined in RCW 29A.04.086, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or

(c) The county central committee or legislative district committee of a major political party. There may be only one legislative district committee for each party in each legislative district.

(7) "Depository" means a bank ((designated by a candidate or political committee pursuant to RCW 42.17.050)), mutual savings bank, savings and loan association, or credit union doing business in this state.

(8) "Treasurer" and "deputy treasurer" mean the individuals appointed by a candidate or political committee, pursuant to RCW 42.17.050 (as recodified by this act), to perform the duties specified in that section.

33 (9) "Candidate" means any individual who seeks nomination for 34 election or election to public office. An individual seeks nomination 35 or election when he or she first:

36 (a) Receives contributions or makes expenditures or reserves space
37 or facilities with intent to promote his or her candidacy for office;
38 (b) Announces publicly or files for office;

(c) Purchases commercial advertising space or broadcast time to 1 2 promote his or her candidacy; or

3 (d) Gives his or her consent to another person to take on behalf of 4 the individual any of the actions in (a) or (c) of this subsection.

5 (10) "Caucus political committee" means a political committee organized and maintained by the members of a major political party in 6 7 the state senate or state house of representatives.

8 (11) "Commercial advertiser" means any person who sells the service of communicating messages or producing printed material for broadcast 9 10 or distribution to the general public or segments of the general public whether through the use of newspapers, magazines, television and radio 11 stations, billboard companies, direct mail advertising companies, 12 13 printing companies, or otherwise.

14 (12) "Commission" means the agency established under RCW 42.17.350 (as recodified by this act). 15

(13) "Compensation" unless the context requires a narrower meaning, 16 17 includes payment in any form for real or personal property or services of any kind((: PROVIDED, That)). For the purpose of compliance with 18 RCW 42.17.241 (as recodified by this act), ((the term)) "compensation" 19 ((shall)) does not include per diem allowances or other payments made 20 21 by a governmental entity to reimburse a public official for expenses 22 incurred while the official is engaged in the official business of the 23 governmental entity.

24 (14) "Continuing political committee" means a political committee 25 that is an organization of continuing existence not established in 26 anticipation of any particular election campaign.

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(15)(a) "Contribution" includes:

28 loan, gift, deposit, subscription, forgiveness (i) A of 29 indebtedness, donation, advance, pledge, payment, transfer of funds 30 between political committees, or anything of value, including personal and professional services for less than full consideration; 31

32 (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a 33 34 political committee, the person or persons named on the candidate's or 35 committee's registration form who direct expenditures on behalf of the 36 candidate or committee, or their agents;

37 (iii) The financing by a person of the dissemination, distribution, 38 or republication, in whole or in part, of broadcast, written, graphic,

1 or other form of political advertising or electioneering communication 2 prepared by a candidate, a political committee, or its authorized 3 agent;

4 (iv) Sums paid for tickets to fund-raising events such as dinners
5 and parties, except for the actual cost of the consumables furnished at
6 the event.

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(b) "Contribution" does not include:

8 (i) Standard interest on money deposited in a political committee's9 account;

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(ii) Ordinary home hospitality;

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

(iv) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is of primary interest to the general public, that is in a news medium controlled by a person whose business is that news medium, and that is not controlled by a candidate or a political committee;

(v) An internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;

(vi) The rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this ((section)) subsection, means services or labor for which the individual is not compensated by any person;

(vii) Messages in the form of reader boards, banners, or yard or window signs displayed on a person's own property or property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made must be reported as an inkind contribution and counts towards any applicable contribution limit of the person providing the facility;

36 (viii) Legal or accounting services rendered to or on behalf of:

37 (A) A political party or caucus political committee if the person

1 paying for the services is the regular employer of the person rendering 2 such services; or

3 (B) A candidate or an authorized committee if the person paying for 4 the services is the regular employer of the individual rendering the 5 services and if the services are solely for the purpose of ensuring 6 compliance with state election or public disclosure laws; or

7 (ix) The performance of ministerial functions by a person on behalf 8 of two or more candidates or political committees either as volunteer 9 services defined in (b)(vi) of this subsection or for payment by the 10 candidate or political committee for whom the services are performed as 11 long as:

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(A) The person performs solely ministerial functions;

(B) A person who is paid by two or more candidates or political committees is identified by the candidates and political committees on whose behalf services are performed as part of their respective statements of organization under RCW 42.17.040 (as recodified by this act); and

(C) The person does not disclose, except as required by law, any information regarding a candidate's or committee's plans, projects, activities, or needs, or regarding a candidate's or committee's contributions or expenditures that is not already publicly available from campaign reports filed with the commission, or otherwise engage in activity that constitutes a contribution under (a)(ii) of this subsection.

A person who performs ministerial functions under this subsection (15)(b)(ix) is not considered an agent of the candidate or committee as long as he or she has no authority to authorize expenditures or make decisions on behalf of the candidate or committee.

(c) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or political committee are deemed a contribution. Such a contribution must be reported as an in-kind contribution at its fair market value and counts towards any applicable contribution limit of the provider.

36 (16) "Elected official" means any person elected at a general or 37 special election to any public office, and any person appointed to fill 38 a vacancy in any such office.

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1 (17) "Election" includes any primary, general, or special election 2 for public office and any election in which a ballot proposition is 3 submitted to the voters((÷ <u>PROVIDED</u>, That)). An election in which the 4 qualifications for voting include other than those requirements set 5 forth in Article VI, section 1 (Amendment 63) of the Constitution of 6 the state of Washington shall not be considered an election for 7 purposes of this chapter.

8 (18) "Election campaign" means any campaign in support of or in 9 opposition to a candidate for election to public office and any 10 campaign in support of, or in opposition to, a ballot proposition.

(19) "Election cycle" means the period beginning on the first day of January after the date of the last previous general election for the office that the candidate seeks and ending on December 31st after the next election for the office. In the case of a special election to fill a vacancy in an office, "election cycle" means the period beginning on the day the vacancy occurs and ending on December 31st after the special election.

18 (20) "Electioneering communication" means any broadcast, cable, or 19 satellite television or radio transmission, United States postal 20 service mailing, billboard, newspaper, or periodical that:

(a) Clearly identifies a candidate for a state, local, or judicial
 office either by specifically naming the candidate, or identifying the
 candidate without using the candidate's name;

(b) Is broadcast, transmitted, mailed, erected, distributed, or otherwise published within sixty days before any election for that office in the jurisdiction in which the candidate is seeking election; and

(c) Either alone, or in combination with one or more communications
 identifying the candidate by the same sponsor during the sixty days
 before an election, has a fair market value of five thousand dollars or
 more.

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(21) "Electioneering communication" does not include:

(a) Usual and customary advertising of a business owned by a candidate, even if the candidate is mentioned in the advertising when the candidate has been regularly mentioned in that advertising appearing at least twelve months preceding his or her becoming a candidate; 1 (b) Advertising for candidate debates or forums when the 2 advertising is paid for by or on behalf of the debate or forum sponsor, 3 so long as two or more candidates for the same position have been 4 invited to participate in the debate or forum;

5 (c) A news item, feature, commentary, or editorial in a regularly
6 scheduled news medium that is:

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(i) Of primary interest to the general public;

8 (ii) In a news medium controlled by a person whose business is that 9 news medium; and

10 (iii) Not a medium controlled by a candidate or a political 11 committee;

12 (d) Slate cards and sample ballots;

(e) Advertising for books, films, dissertations, or similar works (i) written by a candidate when the candidate entered into a contract for such publications or media at least twelve months before becoming a candidate, or (ii) written about a candidate;

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(f) Public service announcements;

(g) A mailed internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;

(h) An expenditure by or contribution to the authorized committeeof a candidate for state, local, or judicial office; or

(i) Any other communication exempted by the commission through ruleconsistent with the intent of this chapter.

27 (22) "Expenditure" includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of 28 value, and includes a contract, promise, or agreement, whether or not 29 legally enforceable, to make an expenditure. 30 ((The term)) "Expenditure" also includes a promise to pay, a payment, or a transfer 31 32 of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, 33 benefiting, or honoring any public official or candidate, or assisting 34 35 in furthering or opposing any election campaign. For the purposes of 36 this chapter, agreements to make expenditures, contracts, and promises 37 to pay may be reported as estimated obligations until actual payment is 38 made. ((The term)) "Expenditure" shall not include the partial or

1 complete repayment by a candidate or political committee of the 2 principal of a loan, the receipt of which loan has been properly 3 reported.

4 (23) "Final report" means the report described as a final report in 5 RCW 42.17.080(2) (as recodified by this act).

6 (24) "General election" for the purposes of RCW 42.17.640 (as
7 recodified by this act) means the election that results in the election
8 of a person to a state or local office. It does not include a primary.
9 (25) "Gift((, " is as defined))" has the definition in RCW

10 42.52.010.

11 (26) "Immediate family" includes the spouse or domestic partner, 12 dependent children, and other dependent relatives, if living in the 13 household. For the purposes of ((RCW 42.17.640 through 42.17.790)) the definition of "intermediary" in this section, "immediate family" means 14 an individual's spouse or domestic partner, and child, stepchild, 15 grandchild, parent, stepparent, grandparent, brother, half brother, 16 17 sister, or half sister of the individual and the spouse or the domestic partner of any such person and a child, stepchild, grandchild, parent, 18 19 stepparent, grandparent, brother, half brother, sister, or half sister of the individual's spouse or domestic partner and the spouse or the 20 21 domestic partner of any such person.

(27) "Incumbent" means a person who is in present possession of anelected office.

(28) "Independent expenditure" means an expenditure that has eachof the following elements:

26 (a) It is made in support of or in opposition to a candidate for 27 office by a person who is not (i) a candidate for that office, (ii) an 28 authorized committee of that candidate for that office, (iii) a person 29 who has received the candidate's encouragement or approval to make the 30 expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any 31 32 other candidate or candidates for that office, or (iv) a person with whom the candidate has collaborated for the purpose of making the 33 expenditure, if the expenditure pays in whole or in part for political 34 35 advertising supporting that candidate or promoting the defeat of any 36 other candidate or candidates for that office;

37 (b) The expenditure pays in whole or in part for political

1 advertising that either specifically names the candidate supported or 2 opposed, or clearly and beyond any doubt identifies the candidate 3 without using the candidate's name; and

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

10 (29)(a) "Intermediary" means an individual who transmits a 11 contribution to a candidate or committee from another person unless the 12 contribution is from the individual's employer, immediate family ((as 13 defined for purposes of RCW 42.17.640 through 42.17.790)), or an 14 association to which the individual belongs.

(b) A treasurer or a candidate is not an intermediary for purposesof the committee that the treasurer or candidate serves.

17 (c) A professional fund-raiser is not an intermediary if the fund-18 raiser is compensated for fund-raising services at the usual and 19 customary rate.

20 (d) A volunteer hosting a fund-raising event at the individual's21 home is not an intermediary for purposes of that event.

(30) "Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor.

(31) "Lobby" and "lobbying" each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state <u>administrative procedure act</u>, chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's or other organization's act of communicating with the members of that association or organization.

35 (32) "Lobbyist" includes any person who lobbies either in his or 36 her own or another's behalf.

37 (33) "Lobbyist's employer" means the person or persons by whom a

1 lobbyist is employed and all persons by whom he or she is compensated 2 for acting as a lobbyist.

3 (34) "Ministerial functions" means an act or duty carried out as 4 part of the duties of an administrative office without exercise of 5 personal judgment or discretion.

(35) "Participate" means that, with respect to a particular 6 7 election, an entity:

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(a) Makes either a monetary or in-kind contribution to a candidate; 9 (b) Makes an independent expenditure or electioneering 10 communication in support of or opposition to a candidate;

Endorses a candidate ((prior to)) before contributions 11 (C) 12 ((being)) are made by a subsidiary corporation or local unit with 13 respect to that candidate or that candidate's opponent;

14 (d) Makes a recommendation regarding whether a candidate should be supported or opposed ((prior to)) before a contribution ((being)) is 15 made by a subsidiary corporation or local unit with respect to that 16 17 candidate or that candidate's opponent; or

18 (e) Directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support 19 of or opposition to a candidate, including, but not limited to, the 20 21 amount of a contribution, when a contribution should be given, and what 22 assistance, services or independent expenditures, or electioneering 23 communications, if any, will be made or should be made in support of or 24 opposition to a candidate.

(36) "Person" includes an individual, partnership, joint venture, 25 26 public or private corporation, association, federal, state, or local 27 governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee 28 29 thereof, or any other organization or group of persons, however 30 organized.

31 (37) (("Person in interest" means the person who is the subject of 32 a record or any representative designated by that person, except that if that person is under a legal disability, the term "person in 33 34 interest" means and includes the parent or duly appointed legal 35 representative.

36 (38))) "Political advertising" includes any advertising displays, 37 newspaper ads, billboards, signs, brochures, articles, tabloids, 38 flyers, letters, radio or television presentations, or other means of 1 mass communication, used for the purpose of appealing, directly or 2 indirectly, for votes or for financial or other support or opposition 3 in any election campaign.

4 (((39))) (38) "Political committee" means any person (except a 5 candidate or an individual dealing with his or her own funds or 6 property) having the expectation of receiving contributions or making 7 expenditures in support of, or opposition to, any candidate or any 8 ballot proposition.

9 (((40))) <u>(39)</u> "Primary" for the purposes of RCW 42.17.640 <u>(as</u> 10 <u>recodified by this act)</u> means the procedure for nominating a candidate 11 to state <u>or local</u> office under chapter 29A.52 RCW or any other primary 12 for an election that uses, in large measure, the procedures established 13 in chapter 29A.52 RCW.

(((41))) <u>(40)</u> "Public office" means any federal, state, judicial,
 county, city, town, school district, port district, special district,
 or other state political subdivision elective office.

((((42))) <u>(41)</u> "Public record" ((includes any writing containing 17 18 information relating to the conduct of government or the performance of 19 any governmental or proprietary function prepared, owned, used, or 20 retained by any state or local agency regardless of physical form or 21 characteristics. For the office of the secretary of the senate and the 22 office of the chief clerk of the house of representatives, public 23 records means legislative records as defined in RCW 40.14.100 and also 24 means the following: All budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions; 25 26 reports submitted to the legislature; and any other record designated 27 a public record by any official action of the senate or the house of representatives)) has the definition in RCW 42.56.010. 28

29 (((43))) (42) "Recall campaign" means the period of time beginning 30 on the date of the filing of recall charges under RCW 29A.56.120 and 31 ending thirty days after the recall election.

32 (((44))) (43) "Sponsor of an electioneering communications, 33 independent expenditures, or political advertising" means the person 34 paying for the electioneering communication, independent expenditure, 35 or political advertising. If a person acts as an agent for another or 36 is reimbursed by another for the payment, the original source of the 37 payment is the sponsor. 1 (((45) "State)) (44) "Legislative office" means the office of a
2 member of the state house of representatives or the office of a member
3 of the state senate.

4 (((46))) <u>(45)</u> "State office" means state legislative office or the 5 office of governor, lieutenant governor, secretary of state, attorney 6 general, commissioner of public lands, insurance commissioner, 7 superintendent of public instruction, state auditor, or state 8 treasurer.

9 (((47))) (46) "State official" means a person who holds a state 10 office.

(((48))) (47) "Surplus funds" mean, in the case of a political 11 12 committee or candidate, the balance of contributions that remain in the 13 possession or control of that committee or candidate subsequent to the election for which the contributions were received, and that are in 14 excess of the amount necessary to pay remaining debts incurred by the 15 committee or candidate ((prior)) with respect to that election. In the 16 case of a continuing political committee, "surplus funds" mean those 17 18 contributions remaining in the possession or control of the committee that are in excess of the amount necessary to pay all remaining debts 19 when it makes its final report under RCW 42.17.065 (as recodified by 20 21 this act).

((((49) "Writing" means handwriting, typewriting, printing, 22 23 photostating, photographing, and every other means of recording any form of communication or representation, including, but not limited to, 24 letters, words, pictures, sounds, or symbols, or combination thereof, 25 26 and all papers, maps, magnetic or paper tapes, photographic films and prints, motion picture, film and video recordings, magnetic or punched 27 cards, discs, drums, diskettes, sound recordings, and other documents 28 29 including existing data compilations from which information may be 30 obtained or translated.

31 As used in this chapter, the singular shall take the plural and any 32 gender, the other, as the context requires.))

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PART 2

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ELECTRONIC ACCESS

35 **Sec. 201.** RCW 42.17.367 and 1999 c 401 s 9 are each amended to 36 read as follows:

((By February 1, 2000,)) The commission shall operate a web site or 1 2 contract for the operation of a web site that allows access to reports, copies of reports, or copies of data and information submitted in 3 reports, filed with the commission under RCW 42.17.040, 42.17.065, 4 42.17.100, ((and)) 42.17.105, 42.17.150, 42.17.170, 5 42.17.080, 42.17.175, and 42.17,180 (as recodified by this act). ((By January 1, 6 7 2001, the web site shall allow access to reports, copies of reports, or 8 copies of data and information submitted in reports, filed with the 9 commission under RCW 42.17.150, 42.17.170, 42.17.175, and 42.17.180.)) 10 In addition, the commission shall attempt to make available via the web site other public records submitted to or generated by the commission 11 12 that are required by this chapter to be available for public use or 13 inspection.

14 **Sec. 202.** RCW 42.17.369 and 2000 c 237 s 3 are each amended to 15 read as follows:

(1) ((By July 1, 1999,)) The commission shall make available to candidates, public officials, and political committees that are required to file reports under this chapter an electronic filing alternative for submitting financial affairs reports, contribution reports, and expenditure reports((, including but not limited to filing by diskette, modem, satellite, or the Internet)).

(2) ((By January 1, 2002,)) The commission shall make available to lobbyists and lobbyists' employers required to file reports under RCW 42.17.150, 42.17.170, 42.17.175, or 42.17.180 (as recodified by this act) an electronic filing alternative for submitting these reports ((including but not limited to filing by diskette, modem, satellite, or the Internet)).

(3) The commission shall make available to candidates, public
 officials, political committees, lobbyists, and lobbyists' employers an
 electronic copy of the appropriate reporting forms at no charge.

31 **Sec. 203.** RCW 42.17.461 and 2000 c 237 s 5 are each amended to 32 read as follows:

33 (((1))) The commission shall establish goals that all reports, 34 copies of reports, or copies of the data or information included in 35 reports, filed under RCW 42.17.040, 42.17.065, 42.17.080, 42.17.100, 1 42.17.105, 42.17.150, 42.17.170, 42.17.175, and 42.17.180 (as 2 recodified by this act), that are:

3 (((a) Submitted using the commission's electronic filing system 4 shall be accessible in the commission's office within two business days 5 of the commission's receipt of the report and shall be accessible on 6 the commission's web site within seven business days of the 7 commission's receipt of the report; and

8 (b) Submitted in any format or using any method other than as 9 described in (a) of this subsection, shall be accessible in the commission's office within four business days of the actual physical 10 11 receipt of the report, and not the technical date of filing as provided under RCW 42.17.420, and shall be accessible on the commission's web 12 13 site within fourteen business days of the actual physical receipt of the report, and not the technical date of filing as provided under RCW 14 42.17.420, as specified in rule adopted by the commission. 15

16 (2) On January 1, 2001, or shortly thereafter, the commission shall 17 revise these goals to reflect that all reports, copies of reports, or 18 copies of the data or information included in reports, filed under RCW 19 42.17.040, 42.17.065, 42.17.080, 42.17.100, 42.17.105, 42.17.150, 20 42.17.170, 42.17.175, and 42.17.180, that are:

21 (a) Submitted using the commission's electronic filing system shall
22 be accessible in the commission's office within two business days of
23 the commission's receipt of the report and on the commission's web site
24 within four business days of the commission's receipt of the report;
25 and

26 (b) Submitted in any format or using any method other than as 27 described in (a) of this subsection, shall be accessible in the 28 commission's office within four business days of the actual physical receipt of the report, and not the technical date of filing as provided 29 under RCW 42.17.420, and on the commission's web site within seven 30 31 business days of the actual physical receipt of the report, and not the 32 technical date of filing as provided under RCW 42.17.420, as specified in rule adopted by the commission. 33

34 (3) On January 1, 2002, or shortly thereafter, the commission shall 35 revise these goals to reflect that all reports, copies of reports, or 36 copies of the data or information included in reports, filed under RCW 37 42.17.040, 42.17.065, 42.17.080, 42.17.100, 42.17.105, 42.17.150, 38 42.17.170, 42.17.175, and 42.17.180, that are: 1 (a)) (1) Submitted using the commission's electronic filing system
2 must be accessible in the commission's office and on the commission's
3 web site within two business days of the commission's receipt of the
4 report; and

5 (((b))) (2) Submitted ((in any format or using any method other 6 than as described in (a) of this subsection,)) on paper must be 7 accessible in the commission's office and on the commission's web site 8 within four business days of the actual physical receipt of the report, 9 and not the technical date of filing as provided under RCW 42.17.420 10 (as recodified by this act), as specified in rule adopted by the 11 commission.

12 **Sec. 204.** RCW 42.17.463 and 1999 c 401 s 3 are each amended to 13 read as follows:

By July 1st of each year ((beginning in 2000)), the commission shall calculate the following performance measures, provide a copy of the performance measures to the governor and appropriate legislative committees, and make the performance measures available to the public:

(1) The average number of days that elapse between the commission's receipt of reports filed under RCW 42.17.040, 42.17.065, 42.17.080, and 42.17.100 (as recodified by this act) and the time that the report, a copy of the report, or a copy of the data or information included in the report, is first accessible to the general public (a) in the commission's office, and (b) via the commission's web site;

(2) The average number of days that elapse between the commission's receipt of reports filed under RCW 42.17.105 (as recodified by this act) and the time that the report, a copy of the report, or a copy of the data or information included in the report, is first accessible to the general public (a) in the commission's office, and (b) via the commission's web site;

30 (3) The average number of days that elapse between the commission's 31 receipt of reports filed under RCW 42.17.150, 42.17.170, 42.17.175, and 32 42.17.180 (as recodified by this act) and the time that the report, a 33 copy of the report, or a copy of the data or information included in 34 the report, is first accessible to the general public (a) in the 35 commission's office, and (b) via the commission's web site;

36 (4) The percentage of candidates, categorized as statewide,
 37 ((state)) legislative, or local, that have used each of the following

1 methods to file reports under RCW 42.17.080 or 42.17.105 (as recodified 2 by this act): (a) Hard copy paper format; (((b) electronic format via 3 diskette; (c) electronic format via modem or satellite; (d))) or (b) 4 electronic format via the Internet; ((and (e) any other format or 5 method;))

(5) The percentage of continuing political committees that have
used each of the following methods to file reports under RCW 42.17.065
or 42.17.105 (as recodified by this act): (a) Hard copy paper format;
((b) electronic format via diskette; (c) electronic format via modem
or satellite; (d))) or (b) electronic format via the Internet; ((and
(e) any other format or method;)) and

12 (6) The percentage of lobbyists and lobbyists' employers that have 13 used each of the following methods to file reports under RCW 42.17.150, 14 42.17.170, 42.17.175, or 42.17.180 (as recodified by this act): (a) 15 Hard copy paper format; (((b) electronic format via diskette; (c) 16 electronic format via modem or satellite; (d))) or (b) electronic 17 format via the Internet((; and (e) any other format or method)).

PART 3

ADMINISTRATION

20 **Sec. 301.** RCW 42.17.350 and 1998 c 30 s 1 are each amended to read 21 as follows:

(1) ((There is hereby established a ")) The public disclosure commission((" which)) is established. The commission shall be composed of five members ((who shall be)) appointed by the governor, with the consent of the senate. All appointees shall be persons of the highest integrity and qualifications. No more than three members shall have an identification with the same political party.

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

32 (3) During his or her tenure, a member of the commission is 33 prohibited from engaging in any of the following activities, either 34 within or outside the state of Washington:

35 (a) Holding or campaigning for elective office;

18

19

(b) Serving as an officer of any political party or political
 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 support
6 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 42.17.190 <u>(as recodified by this act)</u> on matters 11 directly affecting this chapter.

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

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

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

27 **Sec. 302.** RCW 42.17.360 and 1973 c 1 s 36 are each amended to read 28 as follows:

29 The commission shall:

30 (1) Develop and provide forms for the reports and statements31 required to be made under this chapter;

(2) Prepare and publish a manual setting forth recommended uniform
 methods of bookkeeping and reporting for use by persons required to
 make reports and statements under this chapter;

35 (3) Compile and maintain a current list of all filed reports and 36 statements;

(4) Investigate whether properly completed statements and reports
 have been filed within the times required by this chapter;

3 (5) Upon complaint or upon its own motion, investigate and report 4 apparent violations of this chapter to the appropriate law enforcement 5 authorities;

б (6) <u>Conduct a sufficient number of audits and field investigations</u> to provide a statistically valid finding regarding the degree of 7 compliance with the provisions of this chapter by all required filers. 8 Any documents, records, reports, computer files, papers, or materials 9 provided to the commission for use in conducting audits and 10 investigations must be returned to the candidate, campaign, or 11 political committee from which they were received within one week of 12 the commission's completion of an audit or field investigation; 13

14 (7) Prepare and publish an annual report to the governor as to the 15 effectiveness of this chapter and its enforcement by appropriate law 16 enforcement authorities; ((and

17 (7)) (8) Enforce this chapter according to the powers granted it 18 by law:

19 (9) Adopt rules governing the arrangement, handling, indexing, and 20 disclosing of those reports required by this chapter to be filed with 21 a county auditor or county elections official. The rules shall:

22 (a) Ensure ease of access by the public to the reports; and

(b) Include, but not be limited to, requirements for indexing the reports by the names of candidates or political committees and by the ballot proposition for or against which a political committee is receiving contributions or making expenditures;

27 (10) Adopt rules to carry out the policies of chapter 348, Laws of 28 2006. The adoption of these rules is not subject to the time 29 restrictions of RCW 42.17.370(1) (as recodified by this act);

30 (11) Adopt administrative rules establishing requirements for filer 31 participation in any system designed and implemented by the commission 32 for the electronic filing of reports; and

33 (12) Maintain and make available to the public and political
 34 committees of this state a toll-free telephone number.

35 **Sec. 303.** RCW 42.17.370 and 1995 c 397 s 17 are each amended to 36 read as follows:

37 The commission ((is empowered to)) may:

Adopt, ((promulgate,)) amend, and rescind 1 suitable (1)2 administrative rules to carry out the policies and purposes of this chapter, which rules shall be adopted under chapter 34.05 RCW. Any 3 rule relating to campaign finance, political advertising, or related 4 forms that would otherwise take effect after June 30th of a general 5 election year shall take effect no earlier than the day following the 6 7 general election in that year;

(2) Appoint an executive director and set, within the limits 8 established by the state committee on agency officials' salaries under 9 10 RCW 43.03.028, the executive director's compensation ((of an executive director who)). The executive director shall perform such duties and 11 12 have such powers as the commission may prescribe and delegate to 13 implement and enforce this chapter efficiently and effectively. The 14 commission shall not delegate its authority to adopt, amend, or rescind rules nor ((shall)) may it delegate authority to determine whether an 15 actual violation of this chapter has occurred or to assess penalties 16 17 for such violations;

18 (3) Prepare and publish ((such)) reports and technical studies as 19 in its judgment will tend to promote the purposes of this chapter, 20 including reports and statistics concerning campaign financing, 21 lobbying, financial interests of elected officials, and enforcement of 22 this chapter;

23 (4) ((Make from time to time, on its own motion)) Conduct, as it 24 deems appropriate, audits and field investigations;

(5) Make public the time and date of any formal hearing set to determine whether a violation has occurred, the question or questions to be considered, and the results thereof;

(6) Administer oaths and affirmations, issue subpoenas, and compel
 attendance, take evidence, and require the production of any ((books,
 papers, correspondence, memorandums, or other)) records relevant ((or
 material for the purpose of)) to any investigation authorized under
 this chapter, or any other proceeding under this chapter;

33

(7) Adopt ((and promulgate)) a code of fair campaign practices;

34 (8) ((Relieve, by rule,)) Adopt rules relieving candidates or 35 political committees of obligations to comply with the <u>election</u> 36 <u>campaign</u> provisions of this chapter ((relating to election campaigns)), 37 if they have not received contributions nor made expenditures in 1 connection with any election campaign of more than ((one)) five
2 thousand dollars;

(9) Adopt rules prescribing reasonable requirements for keeping 3 4 accounts of, and reporting on a quarterly basis, costs incurred by state agencies, counties, cities, and other municipalities and 5 political subdivisions in preparing, publishing, and distributing 6 legislative information. ((The term)) For the purposes of this 7 subsection, "legislative information((-))" ((for the purposes of this 8 9 subsection,)) means books, pamphlets, reports, and other materials prepared, published, or distributed at substantial cost, a substantial 10 11 purpose of which is to influence the passage or defeat of any 12 legislation. The state auditor in his or her regular examination of 13 each agency under chapter 43.09 RCW shall review the rules, accounts, 14 and reports and make appropriate findings, comments, and 15 recommendations ((in his or her examination reports)) concerning those 16 agencies; and

(10) ((After hearing, by order approved and ratified by a majority 17 of the membership of the commission, suspend or modify any of the 18 19 reporting requirements of this chapter in a particular case if it finds 20 that literal application of this chapter works a manifestly 21 unreasonable hardship and if it also finds that the suspension or modification will not frustrate the purposes of the chapter. The 22 commission shall find that a manifestly unreasonable hardship exists if 23 24 reporting the name of an entity required to be reported under RCW 25 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive 26 position of any entity in which the person filing the report or any 27 member of his or her immediate family holds any office, directorship, general partnership interest, or an ownership interest of ten percent 28 or more. Any suspension or modification shall be only to the extent 29 necessary to substantially relieve the hardship. The commission shall 30 31 act to suspend or modify any reporting requirements only if it determines that facts exist that are clear and convincing proof of the 32 findings required under this section. Requests for renewals of 33 34 reporting modifications may be heard in a brief adjudicative proceeding 35 as set forth in RCW 34.05.482 through 34.05.494 and in accordance with 36 the standards established in this section. No initial request may be 37 heard in a brief adjudicative proceeding and no request for renewal may 38 be heard in a brief adjudicative proceeding if the initial request was

granted more than three years previously or if the applicant is holding an office or position of employment different from the office or position held when the initial request was granted. The commission shall adopt administrative rules governing the proceedings. Any citizen has standing to bring an action in Thurston county superior court to contest the propriety of any order entered under this section within one year from the date of the entry of the order; and

8 (11) Revise, at least once every five years but no more often than 9 every two years, the monetary reporting thresholds and reporting code 10 values of this chapter. The revisions shall be only for the purpose of 11 recognizing economic changes as reflected by an inflationary index recommended by the office of financial management. The revisions shall 12 13 be guided by the change in the index for the period commencing with the month of December preceding the last revision and concluding with the 14 15 month of December preceding the month the revision is adopted. As to each of the three general categories of this chapter (reports of 16 campaign finance, reports of lobbyist activity, and reports of the 17 18 financial affairs of elected and appointed officials), the revisions 19 shall equally affect all thresholds within each category. Revisions 20 shall be adopted as rules under chapter 34.05 RCW. The first revision 21 authorized by this subsection shall reflect economic changes from the 22 time of the last legislative enactment affecting the respective code or 23 threshold through December 1985;

(12)) Develop and provide to filers a system for certification of
 reports required under this chapter which are transmitted by facsimile
 or electronically to the commission. Implementation of the program is
 contingent on the availability of funds.

SUSPENSION OR MODIFICATION OF REPORTING 28 NEW SECTION. Sec. 304. 29 (1) The commission may suspend or modify any of the REOUIREMENTS. 30 reporting requirements of this chapter if it finds that literal application of this chapter works a manifestly unreasonable hardship in 31 32 a particular case and the suspension or modification will not frustrate the purposes of this chapter. The commission may suspend or modify 33 34 reporting requirements only after a hearing is held and the suspension or modification receives approval from a majority of the commission. 35 36 The commission shall act to suspend or modify any reporting 37 requirements:

1 (a) Only if it determines that facts exist that are clear and 2 convincing proof of the findings required under this section; and

3 (b) Only to the extent necessary to substantially relieve the 4 hardship.

5 (2) A manifestly unreasonable hardship exists if reporting the name 6 of an entity required to be reported under RCW 42.17.241(1)(g)(ii) (as 7 recodified by this act) would be likely to adversely affect the 8 competitive position of any entity in which the person filing the 9 report, or any member of his or her immediate family, holds any office, 10 directorship, general partnership interest, or an ownership interest of 11 ten percent or more.

12 (3) Requests for renewals of reporting modifications may be heard 13 in a brief adjudicative proceeding as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in 14 15 this section. No initial request may be heard in a brief adjudicative No request for renewal may be heard in a brief 16 proceeding. 17 adjudicative proceeding if the initial request was granted more than 18 three years previously or if the applicant is holding an office or 19 position of employment different from the office or position held when 20 the initial request was granted.

(4) Any citizen has standing to bring an action in Thurston county
superior court to contest the propriety of any order entered under this
section within one year from the date of the entry of the order.

24 (5) The commission shall adopt rules governing the proceedings.

25 **Sec. 305.** RCW 42.17.690 and 1993 c 2 s 9 are each amended to read 26 as follows:

27 (1) At the beginning of each even-numbered calendar year, the commission shall increase or decrease ((all)) the dollar amounts in 28 29 ((this chapter)) <u>RCW</u> 42.17.020(28), 42.17.125(3), 42.17.180(1), 42.17.640, 42.17.645, and 42.17.740 (as recodified by this act) based 30 on changes in economic conditions as reflected in the inflationary 31 32 index ((used by the commission under RCW 42.17.370)) recommended by the office of financial management. The new dollar amounts established by 33 34 the commission under this section shall be rounded off ((by the 35 commission)) to amounts judged most convenient for public as 36 understanding and so as to be within ten percent of the target amount

equal to the base amount provided in this chapter multiplied by the increase in the inflationary index since ((December 3, 1992)) <u>July</u> <u>2008</u>.

(2) The commission may revise, at least once every five years but 4 no more often than every two years, the monetary reporting thresholds 5 and reporting code values of this chapter. The revisions shall be only б for the purpose of recognizing economic changes as reflected by an 7 inflationary index recommended by the office of financial management. 8 9 The revisions shall be guided by the change in the index for the period commencing with the month of December preceding the last revision and 10 11 concluding with the month of December preceding the month the revision is adopted. As to each of the three general categories of this 12 13 chapter, reports of campaign finance, reports of lobbyist activity, and reports of the financial affairs of elected and appointed officials, 14 the revisions shall equally affect all thresholds within each category. 15 The revisions authorized by this subsection shall reflect economic 16 changes from the time of the last legislative enactment affecting the 17 respective code or threshold. 18

19 (3) Revisions made in accordance with subsections (1) and (2) of
 20 this section shall be adopted as rules under chapter 34.05 RCW.

21 **Sec. 306.** RCW 42.17.380 and 1982 c 35 s 196 are each amended to 22 read as follows:

23 (((1) The office of the secretary of state shall be designated as 24 a place where the public may file papers or correspond with the 25 commission and receive any form or instruction from the commission.

26 (2)) The attorney general, through his <u>or her</u> office, shall 27 ((supply such)) provide assistance as ((the commission may require in 28 order)) required by the commission to carry out its responsibilities 29 under this chapter. The commission may employ attorneys who are 30 neither the attorney general nor an assistant attorney general to carry 31 out any function of the attorney general prescribed in this chapter.

32 **Sec. 307.** RCW 42.17.405 and 2006 c 240 s 2 are each amended to 33 read as follows:

(1) Except as provided in subsections (2), (3), and (7) of this
 section, the reporting provisions of this chapter do not apply to:

1 (a) Candidates, elected officials, and agencies in political 2 subdivisions with less than one thousand registered voters as of the 3 date of the most recent general election in the jurisdiction((, to));

4 (b) Political committees formed to support or oppose candidates or
5 ballot propositions in such political subdivisions((-,)); or ((to))

6 <u>(c) P</u>ersons making independent expenditures in support of or 7 opposition to such ballot propositions.

8 (2) The reporting provisions of this chapter apply in any exempt political subdivision from which a "petition for disclosure" containing 9 the valid signatures of fifteen percent of the number of registered 10 voters, as of the date of the most recent general election in the 11 12 political subdivision, is filed with the commission. The commission shall by rule prescribe the form of the petition. After the signatures 13 are gathered, the petition shall be presented to the auditor or 14 elections officer of the county, or counties, in which the political 15 subdivision is located. The auditor or elections officer shall verify 16 the signatures and certify to the commission that the petition contains 17 no less than the required number of valid signatures. The commission, 18 19 upon receipt of a valid petition, shall order every known affected 20 person in the political subdivision to file the initially required 21 statement and reports within fourteen days of the date of the order.

22 (3) The reporting provisions of this chapter apply in any exempt 23 political subdivision that by ordinance, resolution, or other official 24 action has petitioned the commission to make the provisions applicable 25 to elected officials and candidates of the exempt political 26 subdivision. A copy of the action shall be sent to the commission. Ιf 27 the commission finds the petition to be a valid action of the appropriate governing body or authority, the commission shall order 28 29 every known affected person in the political subdivision to file the 30 initially required statement and reports within fourteen days of the date of the order. 31

32 (4) The commission shall void any order issued by it pursuant to 33 subsection (2) or (3) of this section when, at least four years after 34 issuing the order, the commission is presented a petition or official 35 action so requesting from the affected political subdivision. Such 36 petition or official action shall meet the respective requirements of 37 subsection (2) or (3) of this section. (5) Any petition for disclosure, ordinance, resolution, or official
 action of an agency petitioning the commission to void the exemption in
 RCW 42.17.030(3) (as recodified by this act) shall not be considered
 unless it has been filed with the commission:

5 (a) In the case of a ballot measure, at least sixty days before the 6 date of any election in which campaign finance reporting is to be 7 required;

8 (b) In the case of a candidate, at least sixty days before the 9 first day on which a person may file a declaration of candidacy for any 10 election in which campaign finance reporting is to be required.

(6) Any person exempted from reporting under this chapter may athis or her option file the statement and reports.

13 (7) The reporting provisions of this chapter apply to a candidate 14 in any political subdivision if the candidate receives or expects to 15 receive five thousand dollars or more in contributions.

16 **Sec. 308.** RCW 42.17.420 and 1999 c 401 s 10 are each amended to 17 read as follows:

(1) Except as provided in subsection (2) of this section, ((when)) 18 the date of receipt of any properly addressed application, report, 19 20 statement, notice, or payment required to be made under the provisions 21 of this chapter ((has been deposited postpaid in the United States mail properly addressed, it shall be deemed to have been received on the 22 23 date of mailing. It shall be presumed that)) is the date shown by the 24 post office cancellation mark on the envelope ((is the date of 25 mailing)) of the submitted material. The provisions of this section do 26 not apply to reports required to be delivered under RCW 42.17.105 and 27 42.17.175 (as recodified by this act).

(2) When a report is filed electronically with the commission, it 28 29 is deemed to have been received on the file transfer date. The commission shall notify the filer of receipt of the electronically 30 filed report. Such notification may be sent by mail, facsimile, or 31 32 electronic mail. If the notification of receipt of the electronically filed report is not received by the filer, the filer may offer his or 33 34 her own proof of sending the report, and such proof shall be treated as 35 if it were a receipt sent by the commission. Electronic filing may be 36 used for purposes of filing the special reports required to be

1 delivered under RCW 42.17.105 and 42.17.175 (as recodified by this
2 act).

3 **Sec. 309.** RCW 42.17.450 and 1973 c 1 s 45 are each amended to read 4 as follows:

5 ((Persons with whom statements or reports or copies of statements 6 or reports are required to be filed under this chapter)) (1) County 7 auditors and county elections officials shall preserve ((them)) filed 8 statements or reports for not less than six years.

9 (2) The commission((, however,)) shall preserve ((such)) filed 10 statements or reports for not less than ten years.

11

12

PART 4 CAMPAIGN FINANCE REPORTING

13 Sec. 401. RCW 42.17.030 and 2006 c 240 s 1 are each amended to 14 read as follows:

15 The provisions of this chapter relating to the financing of election campaigns shall apply in all election campaigns other than (1) 16 for precinct committee officer; (2) for a federal elective office; and 17 18 (3) for an office of a political subdivision of the state that does not 19 encompass a whole county and that contains fewer than five thousand 20 registered voters as of the date of the most recent general election in 21 the subdivision, unless required by RCW 42.17.405 (2) through (5) and (7) (as recodified by this act). 22

23 **Sec. 402.** RCW 42.17.040 and 2007 c 358 s 2 are each amended to 24 read as follows:

(1) Every political committee((, within two weeks after its 25 26 organization or, within two weeks after the date when it first has the expectation of receiving contributions or making expenditures in any 27 28 election campaign, whichever is earlier,)) shall file a statement of 29 organization with the commission and with the county auditor or elections officer of the county in which the candidate resides, or in 30 31 the case of any other political committee, the county in which the 32 treasurer resides. The statement must be filed within two weeks after 33 organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in 34

1 any election campaign, whichever is earlier. A political committee 2 organized within the last three weeks before an election and having the 3 expectation of receiving contributions or making expenditures during 4 and for that election campaign shall file a statement of organization 5 within three business days after its organization or when it first has 6 the expectation of receiving contributions or making expenditures in 7 the election campaign.

8 (2) The statement of organization shall include but not be limited9 to:

10

(a) The name and address of the committee;

(b) The names and addresses of all related or affiliated committeesor other persons, and the nature of the relationship or affiliation;

13 (c) The names, addresses, and titles of its officers; or if it has 14 no officers, the names, addresses, and titles of its responsible 15 leaders;

16

(d) The name and address of its treasurer and depository;

17

(e) A statement whether the committee is a continuing one;

18 (f) The name, office sought, and party affiliation of each 19 candidate whom the committee is supporting or opposing, and, if the 20 committee is supporting the entire ticket of any party, the name of the 21 party;

(g) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;

(h) What distribution of surplus funds will be made, in accordance
with RCW 42.17.095 (as recodified by this act), in the event of
dissolution;

(i) The street address of the place and the hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with RCW 42.17.080 (as recodified by this act);

(j) Such other information as the commission may by regulation prescribe, in keeping with the policies and purposes of this chapter;

33 (k) The name, address, and title of any person who authorizes 34 expenditures or makes decisions on behalf of the candidate or 35 committee; and

(1) The name, address, and title of any person who is paid by or isa volunteer for a candidate or political committee to perform

1 ministerial functions and who performs ministerial functions on behalf 2 of two or more candidates or committees.

3 (3) Any material change in information previously submitted in a 4 statement of organization shall be reported to the commission and to 5 the appropriate county elections officer within the ten days following 6 the change.

7 Sec. 403. RCW 42.17.050 and 1989 c 280 s 3 are each amended to 8 read as follows:

9 (1) Each candidate, within two weeks after becoming a candidate, 10 and each political committee, at the time it is required to file a 11 statement of organization, shall designate and file with the commission 12 and the appropriate county elections officer the name((s)) and 13 address((es)) of((÷

14 (a))) one legally competent individual, who may be the candidate, 15 to serve as a treasurer((; and

16 (b) A bank, mutual savings bank, savings and loan association, or 17 credit union doing business in this state to serve as depository and 18 the name of the account or accounts maintained in it)).

19 (2) A candidate, a political committee, or a treasurer may appoint 20 as many deputy treasurers as is considered necessary and ((may 21 designate not more than one additional depository in each other county 22 in which the campaign is conducted. The candidate or political 23 committee)) shall file the names and addresses of the deputy treasurers 24 ((and additional depositories)) with the commission and the appropriate 25 county elections officer.

26 (3) ((A candidate may not knowingly establish, use, direct, or 27 control more than one political committee for the purpose of supporting that candidate during a particular election campaign. This does not 28 29 prohibit: (a) In addition to a candidate's having his or her own political committee, the candidate's participation in a political 30 31 committee established to support a slate of candidates which includes 32 the candidate; or (b) joint fund-raising efforts by candidates when a separate political committee is established for that purpose and all 33 34 contributions are disbursed to and accounted for on a pro rata basis by 35 the benefiting candidates.

36 (4))(a) A candidate or political committee may at any time remove 37 a treasurer or deputy treasurer ((or change a designated depository)).

(b) In the event of the death, resignation, removal, or change of a treasurer((-,)) or deputy treasurer, ((or depository,)) the candidate or political committee shall designate and file with the commission and the appropriate county elections officer the name and address of any successor.

6 (((5))) (4) No treasurer((7)) or deputy treasurer((7)) depository)) may be deemed to be in compliance with the provisions of 8 this chapter until his or her name and address is filed with the 9 commission and the appropriate county elections officer.

10 NEW SECTION. Sec. 404. DEPOSITORIES. Each candidate and each 11 political committee shall designate and file with the commission and 12 the appropriate county elections officer the name and address of not 13 more than one depository for each county in which the campaign is 14 conducted in which the candidate's or political committee's accounts are maintained and the name of the account or accounts maintained in 15 that depository on behalf of the candidate or political committee. 16 The 17 candidate or political committee may at any time change the designated depository and shall file with the commission and the appropriate 18 county elections officer the same information for the successor 19 20 depository as for the original depository. The candidate or political 21 committee may not be deemed in compliance with the provisions of this 22 chapter until the information required for the depository is filed with 23 the commission and the appropriate county elections officer.

24 **Sec. 405.** RCW 42.17.060 and 1989 c 280 s 4 are each amended to 25 read as follows:

(1) All monetary contributions received by a candidate or political
committee shall be deposited by the treasurer or deputy treasurer in a
depository in an account established and designated for that purpose.
Such deposits shall be made within five business days of receipt of the
contribution.

31 (2) Political committees ((which)) that support or oppose more than 32 one candidate or ballot proposition, or exist for more than one 33 purpose, may maintain multiple separate bank accounts within the same 34 designated depository for such purpose((÷ PROVIDED, That)) only if:

35 <u>(a) Each such account ((shall)) bears</u> the same name:

(b) Each such account is followed by an appropriate designation ((which)) that accurately identifies its separate purpose((: AND PROVIDED FURTHER, That)); and

<u>(c)</u> Transfers of funds ((which)) that must be reported under RCW
42.17.090(1)(((d) may)) (e) (as recodified by this act) are not ((be))
made from more than one such account.

7 (3) Nothing in this section prohibits a candidate or political 8 committee from investing funds on hand in a depository in bonds, 9 certificates, <u>or</u> tax-exempt securities, or <u>in</u> savings accounts or other 10 similar instruments in financial institutions, or <u>in</u> mutual funds other 11 than the depository((: <u>PROVIDED</u>, That)) <u>but only if:</u>

12 <u>(a)</u> The commission and the appropriate county elections officer 13 ((is)) <u>are notified in writing of the initiation and the termination of</u> 14 the investment((÷ <u>PROVIDED FURTHER</u>, That)); and

(b) The principal of such investment, when terminated together with all interest, dividends, and income derived from the investment ((are)), is deposited in the depository in the account from which the investment was made and properly reported to the commission and the appropriate county elections officer ((prior to)) before any further disposition or expenditure ((thereof)).

21 (4) Accumulated unidentified contributions, other than those made 22 by persons whose names must be maintained on a separate and private list by a political committee's treasurer pursuant 23 to RCW 24 42.17.090(1)(b) (as recodified by this act), ((which total)) in excess of one percent of the total accumulated contributions received in the 25 26 current calendar year, or three hundred dollars ((+)), whichever is 27 more((+)), may not be deposited, used, or expended, but shall be returned to the donor((τ)) if his <u>or her</u> identity can be ascertained. 28 29 If the donor cannot be ascertained, the contribution shall escheat to the state((-)) and shall be paid to the state treasurer for deposit in 30 31 the state general fund.

32 (((5) A contribution of more than fifty dollars in currency may not 33 be accepted unless a receipt, signed by the contributor and by the 34 candidate, treasurer, or deputy treasurer, is prepared and made a part 35 of the campaign's or political committee's financial records.))

36 **Sec. 406.** RCW 42.17.065 and 2000 c 237 s 1 are each amended to 37 read as follows:

(1) In addition to the provisions of this section, a continuing 1 political committee shall file and report on the same conditions and at 2 the same times as any other committee in accordance with the provisions 3 4 of RCW 42.17.040, 42.17.050, and 42.17.060 (as recodified by this act). (2) A continuing political committee shall file ((with the 5 б commission and the auditor or elections officer of the county in which 7 the committee maintains its office or headquarters and if there is no 8 such office or headquarters then in the county in which the committee 9 treasurer resides)) a report on the tenth day of ((the)) each month detailing ((its activities)) expenditures made and contributions 10 received for the preceding calendar month ((in which the committee has 11 12 received a contribution or made an expenditure: PROVIDED, That such)). 13 This report ((shall)) need only be filed if either the total 14 contributions received or total expenditures made since the last such report exceed two hundred dollars((+ PROVIDED FURTHER, That after 15 January 1, 2002, if the committee files with the commission 16 electronically, it need not also file with the county auditor or 17 elections officer)). The report must be filed with the commission and 18 the auditor or elections officer of the county in which the committee 19 20 maintains its office or headquarters. If the committee does not have 21 an office or headquarters, the report must be filed in the county where the committee treasurer resides. However, if the committee files with 22 the commission electronically, it need not also file with the county 23 24 auditor or elections officer. The report shall be on a form supplied by the commission and shall include the following information: 25

26 (a) The information required by RCW 42.17.090 (as recodified by
 27 <u>this act</u>);

(b) Each expenditure made to retire previously accumulated debts of the committee((+)) identified by recipient, amount, and date of payments;

31 (c) ((Such)) Other information ((as)) the commission shall 32 prescribe by rule ((prescribe)).

(3) If a continuing political committee ((shall)) makes a contribution in support of or in opposition to a candidate or ballot proposition within sixty days ((prior to)) before the date ((on which such)) that the candidate or ballot proposition will be voted upon, ((such continuing political)) the committee shall report pursuant to RCW 42.17.080 (as recodified by this act). 1 (4) A continuing political committee shall file reports as required 2 by this chapter until it is dissolved, at which time a final report 3 shall be filed. Upon submitting a final report, the duties of the 4 ((campaign)) treasurer shall cease and there shall be no obligation to 5 make any further reports.

(5) The ((campaign)) treasurer shall maintain books of account, 6 current within five business days, that accurately ((reflecting)) 7 8 reflect all contributions and expenditures ((on a current basis within five business days of receipt or expenditure)). During the eight days 9 10 immediately preceding the date of any election((, for which)) that the 11 committee has received any contributions or made any expenditures, the 12 books of account shall be kept current within one business day and 13 shall be open for public inspection in the same manner as provided for candidates and other political committees in RCW 42.17.080(5) (as 14 recodified by this act). 15

16 (6) All reports filed pursuant to this section shall be certified 17 as correct by the ((campaign)) treasurer.

18 (7) The ((campaign)) treasurer shall preserve books of account, 19 bills, receipts, and all other financial records of the campaign or 20 political committee for not less than five calendar years following the 21 year during which the transaction occurred.

22 Sec. 407. RCW 42.17.067 and 1989 c 280 s 6 are each amended to 23 read as follows:

(1) Fund-raising activities ((which meet)) meeting the standards of
subsection (2) of this section may be reported in accordance with the
provisions of this section in lieu of reporting in accordance with RCW
42.17.080 (as recodified by this act).

28 (2) Standards:

29

(a) The activity consists of one or more of the following:

30 (i) ((The retail)) <u>A</u> sale of goods or services <u>sold</u> at a reasonable 31 approximation of the fair market value of each item or service ((sold

32 at the activity)); or

(ii) A gambling operation ((which)) that is licensed, conducted, or
 operated in accordance with the provisions of chapter 9.46 RCW; or

(iii) A gathering where food and beverages are purchased((, where))
 and the price of admission or the per person charge for the food and
 beverages is no more than twenty-five dollars; or

1 (iv) A concert, dance, theater performance, or similar 2 entertainment event ((where)) and the price of admission is no more 3 than twenty-five dollars; or

4 (v) An auction or similar sale ((where)) for which the total fair
5 market value of items donated by any person ((for sale)) is no more
6 than fifty dollars; and

(b) No person responsible for receiving money at ((such)) the fundraising activity knowingly accepts payments from a single person at or from such an activity to the candidate or committee aggregating more than fifty dollars unless the name and address of the person making ((such)) the payment, together with the amount paid to the candidate or committee, are disclosed in the report filed pursuant to subsection (6) of this section; and

14 (c) ((Such)) Any other standards ((as shall be)) established by 15 rule of the commission to prevent frustration of the purposes of this 16 chapter.

(3) All funds received from a fund-raising activity ((which)) that conforms with subsection (2) of this section ((shall)) must be deposited <u>in the depository</u> within five business days of receipt by the treasurer or deputy treasurer ((in the depository)).

(4) At the time reports are required under RCW 42.17.080 (as recodified by this act), the treasurer or deputy treasurer making the deposit shall file with the commission and the appropriate county elections officer a report of the fund-raising activity which ((shall)) <u>must</u> contain the following information:

26

(a) The date of the activity;

(b) A precise description of the fund-raising methods used in theactivity; and

29 (c) The total amount of cash receipts from persons, each of whom 30 paid no more than fifty dollars.

31 (5) The treasurer or deputy treasurer shall certify the report is 32 correct.

33 (6) The treasurer shall report pursuant to RCW 42.17.080 and 34 42.17.090 (as recodified by this act):

35 (a) The name and address and the amount contributed ((of)) by each 36 person ((who contributes)) contributing goods or services with a fair 37 market value of more than fifty dollars to a fund-raising activity 38 reported under subsection (4) of this section $((\tau))$ and 1 (b) The name and address ((of)) and the amount paid by each person 2 whose identity can be ascertained, ((and the amount paid, from whom 3 were knowingly received payments)) who made a contribution to the 4 candidate or committee aggregating more than fifty dollars at or from 5 such a fund-raising activity.

6 **Sec. 408.** RCW 42.17.080 and 2008 c 73 s 1 are each amended to read 7 as follows:

(1) In addition to the information required under RCW 42.17.040 and 8 42.17.050 (as recodified by this act), on the day the treasurer is 9 designated, each candidate or political committee ((shall)) must file 10 11 with the commission and the county auditor or elections officer of the 12 county in which the candidate resides, or in the case of a political committee, the county in which the treasurer resides, ((in addition to 13 14 any statement of organization required under RCW 42.17.040 or 42.17.050,)) a report of all contributions received and expenditures 15 16 made prior to that date, if any.

(2) ((At the following intervals)) Each treasurer shall file with 17 18 the commission and the county auditor or elections officer of the county in which the candidate resides, or in the case of a political 19 20 committee, the county in which the committee maintains its office or 21 headquarters, ((and if there is no office or headquarters then)) or in 22 the county in which the treasurer resides if there is no office or 23 headquarters, a report containing the information required by RCW 42.17.090 (as recodified by this act) at the following intervals: 24

(a) On the twenty-first day and the seventh day immediately
preceding the date on which the election is held; ((and))

27

(b) On the tenth day of the first month after the election; and

(c) On the tenth day of each month in which no other reports are required to be filed under this section((÷ PROVIDED, That such report shall only be filed)) only if the committee has received a contribution or made an expenditure in the preceding calendar month and either the total contributions received or total expenditures made since the last such report exceed two hundred dollars.

34 ((When there is no outstanding debt or obligation, and the campaign 35 fund is closed, and the campaign is concluded in all respects, and in 36 the case of a political committee, the committee has ceased to function 1 and has dissolved, the treasurer shall file a final report. Upon 2 submitting a final report, the duties of the treasurer shall cease and 3 there shall be no obligation to make any further reports.))

4 The report filed twenty-one days before the election shall report all contributions received and expenditures made as of the end of the 5 one business day before the date of the report. The report filed seven б days before the election shall report all contributions received and 7 8 expenditures made as of the end of the one business day before the date Reports filed on the tenth day of the month shall 9 of the report. 10 report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month 11 12 preceding the date of the current report.

13 (3) For the period beginning the first day of the fourth month preceding the date ((on which)) of the special election ((is held)), or 14 for the period beginning the first day of the fifth month before the 15 date ((on which)) of the general election ((is held)), and ending on 16 17 the date of that special or general election, each Monday the treasurer shall file with the commission and the appropriate county elections 18 officer a report of each bank deposit made during the previous seven 19 The report shall contain the name of each person 20 calendar days. 21 contributing the funds ((so deposited)) and the amount contributed by 22 each person. However, ((contributions of)) persons who contribute no 23 more than twenty-five dollars in the aggregate ((from any one person 24 may be deposited without identifying the contributor)) are not required 25 to be identified in the report. A copy of the report shall be retained 26 by the treasurer for his or her records. In the event of deposits made by a deputy treasurer, the copy shall be forwarded to the treasurer for 27 28 his or her records. Each report shall be certified as correct by the 29 treasurer or deputy treasurer making the deposit.

30 (4) If a city requires that candidates or committees for city 31 offices file reports with a city agency, the candidate or treasurer 32 ((so filing need not also)) complying with the requirement does not 33 need to file the report with the county auditor or elections officer.

34 (5) The treasurer or candidate shall maintain books of account 35 accurately reflecting all contributions and expenditures on a current 36 basis within five business days of receipt or expenditure. During the 37 eight days immediately preceding the date of the election the books of 38 account shall be kept current within one business day. As specified in

the committee's statement of organization filed under RCW 42.17.040 (as 1 2 recodified by this act), the books of account must be open for public inspection by appointment at the designated place for inspections 3 4 between 8:00 a.m. and 8:00 p.m. on any day from the eighth day immediately before the election through the day immediately before the 5 6 election, other than Saturday, Sunday, or a legal holiday. It is a violation of this chapter for a candidate or political committee to 7 8 refuse to allow and keep an appointment for an inspection to be 9 conducted during these authorized times and days. The appointment must 10 be allowed at an authorized time and day for such inspections that is 11 within twenty-four hours of the time and day that is requested for the 12 inspection.

13 (6) ((The treasurer or candidate shall preserve books of account, 14 bills, receipts, and all other financial records of the campaign or 15 political committee for not less than five calendar years following the 16 year during which the transaction occurred.

17 (7) All reports filed pursuant to subsection (1) or (2) of this 18 section shall be certified as correct by the candidate and the 19 treasurer.

20 (8)) Copies of all reports filed pursuant to this section shall be 21 readily available for public inspection ((for at least two consecutive 22 hours Monday through Friday, excluding legal holidays, between 8:00 23 a.m. and 8:00 p.m., as specified in the committee's statement of 24 organization filed pursuant to RCW 42.17.040)) by appointment, pursuant to subsection (5) of this section, at the principal headquarters or, if 25 26 there is no headquarters, at the address of the treasurer or such other place as may be authorized by the commission. 27

28 (((9) After January 1, 2002,)) <u>(7) A</u> report that is filed with the 29 commission electronically need not also be filed with the county 30 auditor or elections officer.

31 (((10) The commission shall adopt administrative rules establishing 32 requirements for filer participation in any system designed and 33 implemented by the commission for the electronic filing of reports.))

34 (8) The treasurer or candidate shall preserve books of account, 35 bills, receipts, and all other financial records of the campaign or 36 political committee for not less than five calendar years following the 37 year during which the transaction occurred. (9) All reports filed pursuant to subsection (1) or (2) of this
 section shall be certified as correct by the candidate and the
 treasurer.

4 (10) When there is no outstanding debt or obligation, the campaign 5 fund is closed, and the campaign is concluded in all respects or in the 6 case of a political committee, the committee has ceased to function and 7 has dissolved, the treasurer shall file a final report. Upon 8 submitting a final report, the duties of the treasurer shall cease and 9 there is no obligation to make any further reports.

10 **Sec. 409.** RCW 42.17.090 and 2003 c 123 s 1 are each amended to 11 read as follows:

12 (((1))) Each report required under RCW 42.17.080 (1) and (2) <u>(as</u> 13 recodified by this act) must be certified as correct by the treasurer 14 and the candidate and shall disclose the following:

15

(((a))) <u>(1)</u> The funds on hand at the beginning of the period;

16 (((b))) <u>(2)</u> The name and address of each person who has made one or 17 more contributions during the period, together with the money value and 18 date of ((such)) <u>each</u> contribution((s)) and the aggregate value of all 19 contributions received from each ((such)) person during the campaign, 20 or in the case of a continuing political committee, the current 21 calendar year((: <u>PROVIDED</u>, That)), with the following exceptions:

(a) Pledges in the aggregate of less than one hundred dollars from
 any one person need not be reported((÷ PROVIDED FURTHER, That the));

(b) Income ((which)) that results from a fund-raising activity conducted in accordance with RCW 42.17.067 (as recodified by this act) may be reported as one lump sum, with the exception of that portion ((of such income which was)) received from persons whose names and addresses are required to be included in the report required by RCW 42.17.067((: PROVIDED FURTHER, That)) (as recodified by this act);

30 <u>(c) Contributions of no more than twenty-five dollars in the</u> 31 aggregate from any one person during the election campaign may be 32 reported as one lump sum ((so long as)) <u>if</u> the ((campaign)) treasurer 33 maintains a separate and private list of the name, address, and amount 34 of each such contributor((÷ PROVIDED FURTHER, That)); and

35 <u>(d)</u> The money value of contributions of postage shall be the face 36 value of ((such)) the postage;

1 (((c))) (<u>3</u>) Each loan, promissory note, or security instrument to 2 be used by or for the benefit of the candidate or political committee 3 made by any person, ((together with)) including the names and addresses 4 of the lender and each person liable directly, indirectly or 5 contingently and the date and amount of each such loan, promissory 6 note, or security instrument;

7 (((d))) <u>(4)</u> All other contributions not otherwise listed or 8 exempted;

9 (((e))) <u>(5)</u> The name and address of each candidate or political 10 committee to which any transfer of funds was made, ((together with)) 11 <u>including</u> the amounts and dates of ((such)) <u>the</u> transfers;

12 $\left(\left(\frac{f}{f}\right)\right)$ (6) The name and address of each person to whom an 13 expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, ((and)) the amount, date, and 14 purpose of each ((such)) expenditure((. A candidate for state 15 16 executive or state legislative office or the political committee of such a candidate shall report this information for an expenditure under 17 one of the following categories, whichever is appropriate: (i) 18 Expenditures for the election of the candidate; (ii) expenditures for 19 20 nonreimbursed public office-related expenses; (iii) expenditures 21 required to be reported under (e) of this subsection; or (iv) expenditures of surplus funds and other expenditures. The report of 22 such a candidate or committee shall contain a separate total of 23 24 expenditures for each category and a total sum of all expenditures. Other candidates and political committees need not report information 25 26 regarding expenditures under the categories listed in (i) through (iv) 27 of this subsection or under similar such categories unless required to do so by the commission by rule. The report of such an other candidate 28 or committee shall also contain)), and the total 29 sum of all 30 expenditures;

31 $((\frac{g}))$ <u>(7)</u> The name and address of each person ((to whom any32 expenditure was made directly or indirectly to compensate the person)) 33 <u>directly compensated</u> for soliciting or procuring signatures on an 34 initiative or referendum petition, the amount of $((\frac{\text{such}}))$ <u>the</u> 35 compensation to each $((\frac{\text{such}}))$ person, and the total $((\frac{\text{of the}}))$ 36 expenditures made for this purpose. Such expenditures shall be 37 reported under this subsection $((\frac{1})(g)$ whether the expenditures are or 1 are not also)) in addition to what is required to be reported under 2 (((f) of this)) subsection (6) of this section;

3 (((h))) <u>(8)</u> The name and address of any person and the amount owed 4 for any debt, obligation, note, unpaid loan, or other liability in the 5 amount of more than two hundred fifty dollars or in the amount of more 6 than fifty dollars that has been outstanding for over thirty days;

7 ((((i))) <u>(9)</u> The surplus or deficit of contributions over 8 expenditures;

9 (((j))) <u>(10)</u> The disposition made in accordance with RCW 42.17.095 10 <u>(as recodified by this act)</u> of any surplus funds; and

(((k) Such)) <u>(11) Any</u> other information ((as shall be)) required by the commission by rule in conformance with the policies and purposes of this chapter.

14 (((2) The treasurer and the candidate shall certify the correctness 15 of each report.))

16 **Sec. 410.** RCW 42.17.3691 and 2000 c 237 s 4 are each amended to 17 read as follows:

(1) ((Beginning January 1, 2002, each candidate or political 18 committee that expended twenty-five thousand dollars or more in the 19 20 preceding year or expects to expend twenty-five thousand dollars or 21 more in the current year shall file all contribution reports and 22 expenditure reports required by this chapter by the electronic 23 alternative provided by the commission under RCW 42.17.369. The commission may make exceptions on a case-by-case basis for candidates 24 25 whose authorized committees lack the technological ability to file 26 reports using the electronic alternative provided by the commission.

(2) Beginning January 1, 2004,)) <u>Each</u> candidate or political 27 committee that expended ten thousand dollars or more in the preceding 28 29 year or expects to expend ten thousand dollars or more in the current year shall file all contribution reports and expenditure reports 30 31 required by this chapter by the electronic alternative provided by the commission under RCW 42.17.369 (as recodified by this act). 32 The commission may make exceptions on a case-by-case basis for candidates 33 34 whose authorized committees lack the technological ability to file 35 reports using the electronic alternative provided by the commission.

36 (((3))) (2) Failure by a candidate or political committee to comply 37 with this section is a violation of this chapter. 1 **Sec. 411.** RCW 42.17.093 and 2006 c 348 s 6 are each amended to 2 read 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 (as recodified by this act) 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:

10

(a) Its name and address;

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

12 (c) The names, addresses, and titles of its officers or, if it has 13 no officers, the names, addresses, and the titles of its responsible 14 leaders;

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

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

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

(g) The name, address, and employer of each person or corporation 28 29 residing outside the state of Washington who has made one or more 30 contributions in the aggregate of more than two thousand five hundred fifty dollars to the out-of-state committee during the current calendar 31 32 year, together with the money value and date of ((such)) the contributions. Annually, the commission must modify the two thousand 33 five hundred fifty dollar limit in this subsection based on percentage 34 35 change in the implicit price deflator for personal consumption 36 expenditures for the United States as published for the most recent 37 twelve-month period by the bureau of economic analysis of the federal 38 department of commerce;

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

6 (i) ((Such)) <u>Any</u> other information as the commission may prescribe 7 by rule in keeping with the policies and purposes of this chapter.

8 (2) Each statement shall be filed no later than the tenth day of 9 the month following any month in which a contribution or other 10 expenditure reportable under subsection (1) of this section is made. 11 An out-of-state committee incurring an obligation to file additional 12 statements in a calendar year may satisfy the obligation by timely 13 filing reports that supplement previously filed information.

14 Sec. 412. RCW 42.17.100 and 1995 c 397 s 28 are each amended to 15 read as follows:

16 (1) For the purposes of this section and RCW 42.17.550 ((the term)) (as recodified by this act), "independent expenditure" means any 17 18 expenditure that is made in support of or in opposition to any candidate or ballot proposition and is not otherwise required to be 19 20 reported pursuant to RCW 42.17.060, 42.17.080, or 42.17.090 (as 21 recodified by this act). "Independent expenditure" does not include: 22 internal political communication primarily limited to An the 23 contributors to a political party organization or political action 24 committee, or the officers, management staff, and stockholders of a 25 corporation or similar enterprise, or the members of a labor 26 organization or other membership organization; or the rendering of personal services of the sort commonly performed by volunteer campaign 27 28 workers, or incidental expenses personally incurred by volunteer 29 campaign workers not in excess of fifty dollars personally paid for by 30 "Volunteer services," for the purposes of this section, the worker. 31 means services or labor for which the individual is not compensated by 32 any person.

33 (2) Within five days after the date of making an independent 34 expenditure that by itself or when added to all other ((such)) 35 independent expenditures made during the same election campaign by the 36 same person equals one hundred dollars or more, or within five days 37 after the date of making an independent expenditure for which no

reasonable estimate of monetary value is practicable, whichever occurs 1 2 first, the person who made the independent expenditure shall file with the commission and the county elections officer of the county of 3 4 residence for the candidate supported or opposed by the independent expenditure (or in the case of an expenditure made in support of or in 5 opposition to a local ballot proposition, the county of residence for 6 7 the person making the expenditure) an initial report of all independent 8 expenditures made during the campaign ((prior to)) before and including 9 such date.

10 (3) At the following intervals each person who is required to file an initial report pursuant to subsection (2) of this section shall file 11 12 with the commission and the county elections officer of the county of 13 residence for the candidate supported or opposed by the independent 14 expenditure (or in the case of an expenditure made in support of or in 15 opposition to a ballot proposition, the county of residence for the person making the expenditure) a further report of the independent 16 expenditures made since the date of the last report: 17

(a) On the twenty-first day and the seventh day preceding the dateon which the election is held; and

20

(b) On the tenth day of the first month after the election; and

(c) On the tenth day of each month in which no other reports are required to be filed pursuant to this section. However, the further reports required by this subsection (3) shall only be filed if the reporting person has made an independent expenditure since the date of the last previous report filed.

26 (4) The report filed pursuant to ((paragraph (a) of this))
27 subsection (3)(a) of this section shall be the final report, and upon
28 submitting such final report the duties of the reporting person shall
29 cease, and there shall be no obligation to make any further reports.

30 (((4))) (5) All reports filed pursuant to this section shall be 31 certified as correct by the reporting person.

(((5))) (6) Each report required by subsections (2) and (3) of this section shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than one business day before the date the report is due:

38

(a) The name and address of the person filing the report;

(b) The name and address of each person to whom an independent 1 2 expenditure was made in the aggregate amount of more than fifty 3 dollars, and the amount, date, and purpose of each ((such)) 4 If no reasonable estimate of the monetary value of a expenditure. particular independent expenditure is practicable, it is sufficient to 5 report instead a precise description of services, property, or rights б 7 furnished through the expenditure, and where appropriate, to attach a 8 copy of the item produced or distributed by the expenditure;

9 (c) The total sum of all independent expenditures made during the 10 campaign to date; and

(d) ((Such)) Any other information ((as shall be required by)) the commission may require by rule ((in conformance with the policies and purposes of this chapter)).

14 **Sec. 413.** RCW 42.17.103 and 2005 c 445 s 7 are each amended to 15 read as follows:

16 (1) The sponsor of political advertising who, within twenty-one days of an election, publishes, mails, or otherwise presents to the 17 public political advertising supporting or opposing a candidate or 18 ballot proposition that qualifies as an independent expenditure with a 19 20 fair market value of one thousand dollars or more shall deliver, either 21 electronically or in written form, a special report to the commission 22 within twenty-four hours of, or on the first working day after, the 23 date the political advertising is first published, mailed, or otherwise 24 presented to the public.

25 (2) If a sponsor is required to file a special report under this 26 section, the sponsor shall also deliver to the commission within the delivery period established in subsection (1) of this section a special 27 report for each subsequent independent expenditure of any size 28 29 supporting or opposing the same candidate who was the subject of the 30 previous independent expenditure, supporting or opposing that 31 candidate's opponent, or supporting or opposing the same ballot 32 proposition that was the the previous independent subject of 33 expenditure.

34 (3) The special report must include ((at least)):

35 (a) The name and address of the person making the expenditure;

36 (b) The name and address of the person to whom the expenditure was 37 made;

- 1
- (c) A detailed description of the expenditure;

2 (d) The date the expenditure was made and the date the political
3 advertising was first published or otherwise presented to the public;

4 (e) The amount of the expenditure;

5 (f) The name of the candidate supported or opposed by the 6 expenditure, the office being sought by the candidate, and whether the 7 expenditure supports or opposes the candidate; or the name of the 8 ballot proposition supported or opposed by the expenditure and whether 9 the expenditure supports or opposes the ballot proposition; and

10

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

(4) All persons required to report under RCW 42.17.065, 42.17.080, 42.17.090, 42.17.100, and 42.17.565 (as recodified by this act) are subject to the requirements of this section. The commission may determine that reports filed pursuant to this section also satisfy the requirements of RCW 42.17.100 (as recodified by this act).

(5) The sponsor of independent expenditures supporting a candidate 16 17 or opposing that candidate's opponent required to report under this 18 section shall file with each required report an affidavit or 19 declaration of the person responsible for making the independent expenditure that the expenditure was not made 20 in cooperation, 21 consultation, or concert with, or at the request or suggestion of, the 22 candidate, the candidate's authorized committee, or the candidate's agent, or with the encouragement or approval of the candidate, the 23 24 candidate's authorized committee, or the candidate's agent.

25 **Sec. 414.** RCW 42.17.105 and 2001 c 54 s 2 are each amended to read 26 as follows:

27 (1) ((Campaign)) Treasurers shall prepare and deliver to the 28 commission a special report ((regarding any)) when a contribution or 29 aggregate of contributions ((which: Is)) totals one thousand dollars 30 or more((\div)), is from a single person or entity((\div)), and is received 31 during a special reporting period.

32 ((Any)) (2) A political committee ((making)) shall prepare and 33 deliver to the commission a special report when it makes a contribution 34 or an aggregate of contributions to a single entity ((which is)) that 35 totals one thousand dollars or more ((shall also prepare and deliver to 36 the commission the special report if the contribution or aggregate of 37 contributions is made)) during a special reporting period. 1 ((For the purposes of subsections (1) through (7) of this section: (a) Each of the following intervals is a)) (3) An aggregate of 3 contributions includes only those contributions made to or received 4 from a single entity during any one special reporting period. Any 5 subsequent contribution of any size made to or received from the same 6 person or entity during the special reporting period must also be 7 reported.

8 <u>(4)</u> Special reporting periods, for purposes of this section,
9 <u>include</u>: (((i)))

10 <u>(a)</u> The ((interval beginning after the)) period ((covered by)) 11 <u>beginning on the day after</u> the last report required by RCW 42.17.080 12 and 42.17.090 <u>(as recodified by this act)</u> to be filed before a primary 13 and concluding on the end of the day before that primary; ((and (ii)))

14 <u>(b)</u> The ((interval composed of the)) period twenty-one days 15 preceding a general election; and

16 (((b))) <u>(c)</u> An aggregate of contributions includes only those 17 contributions received from a single entity during any one special 18 reporting period or made by the contributing political committee to a 19 single entity during any one special reporting period.

20 (((2))) (5) If a campaign treasurer files a special report under 21 this section for one or more contributions received from a single 22 entity during a special reporting period, the treasurer shall also file 23 a special report under this section for each subsequent contribution of 24 any size which is received from that entity during the special reporting period. If a political committee files a special report 25 26 under this section for a contribution or contributions made to a single 27 entity during a special reporting period, the political committee shall 28 also file a special report for each subsequent contribution of any size 29 which is made to that entity during the special reporting period.

30 (((3) Except as provided in subsection (4) of this section, the)) (6) Special reports required by this section shall be delivered 31 electronically or in written form, including but not limited to 32 33 mailgram, telegram, or nightletter. The special report may be transmitted orally by telephone to the commission if the written form 34 of the report is postmarked and mailed to the commission or the 35 36 electronic filing is transferred to the commission within the delivery periods established in (a) and (b) of this subsection. 37

(a) The special report required of a contribution recipient ((by))1 2 under subsection (1) of this section shall be delivered to the commission within forty-eight hours of the time, or on the first 3 4 working day after: The contribution of one thousand dollars or more is received by the candidate or treasurer; the aggregate received by the 5 candidate or treasurer first equals one thousand dollars or more; or б 7 ((the)) any subsequent contribution ((that must be reported under 8 subsection (2) of this section)) from the same source is received by 9 the candidate or treasurer.

(b) The special report required of a contributor ((by)) under 10 subsection $\left(\left(\frac{1}{2}\right)\right)$ (2) of this section or RCW 42.17.175 (as recodified 11 12 by this act) shall be delivered to the commission, and the candidate or 13 political committee to whom the contribution or contributions are made, within twenty-four hours of the time, or on the first working day 14 The contribution is made; the aggregate of contributions made 15 after: first equals one thousand dollars or more; or ((the)) any subsequent 16 17 contribution ((that must be reported under subsection (2) of this section)) to the same person or entity is made. 18

19 (((4) The special report may be transmitted orally by telephone to 20 the commission to satisfy the delivery period required by subsection 21 (3) of this section if the written form of the report is also mailed to 22 the commission and postmarked within the delivery period established in 23 subsection (3) of this section or the file transfer date of the 24 electronic filing is within the delivery period established in 25 subsection (3) of this section.

26

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

- 27 (a) The amount of the contribution or contributions;
- 28 (b) The date or dates of receipt;
- 29 (c) The name and address of the donor;
- 30 (d) The name and address of the recipient; and

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

32 (((+6))) (8) Contributions reported under this section shall also be 33 reported as required by other provisions of this chapter.

34 (((7))) (9) The commission shall prepare daily a summary of the 35 special reports made under this section and RCW 42.17.175 (as 36 recodified by this act).

37 (((8) It is a violation of this chapter for any person to make, or 38 for any candidate or political committee to accept from any one person, 1 contributions reportable under RCW 42.17.090 in the aggregate exceeding 2 fifty thousand dollars for any campaign for statewide office or exceeding five thousand dollars for any other campaign subject to the 3 4 provisions of this chapter within twenty-one days of a general election. This subsection does not apply to contributions made by, or 5 6 accepted from, a bona fide political party as defined in this chapter, 7 excluding the county central committee or legislative district 8 committee.

9 (9)) (10) Contributions governed by this section include, but are 10 not limited to, contributions made or received indirectly through a 11 third party or entity whether the contributions are or are not reported 12 to the commission as earmarked contributions under RCW 42.17.135 (as 13 recodified by this act).

14 **Sec. 415.** RCW 42.17.550 and 1993 c 2 s 23 are each amended to read 15 as follows:

16 A person or entity, other than a party organization making an independent expenditure ((by)) that consists of mailing one thousand or 17 more identical or nearly identical cumulative pieces of political 18 advertising in a single calendar year shall((-))report that activity. 19 20 The report must be made within two working days after the date of the 21 mailing, ((file a statement)) disclosing the number of pieces in the 22 mailing and an example of the mailed political advertising ((with)). 23 The report must be sent to the election officer of the county ((or)) of 24 residence ((for)) of the candidate supported or opposed by the independent campaign expenditure ((or,))<u>. I</u>n the case of 25 an 26 expenditure made in support of or in opposition to a ballot 27 proposition, the report must be sent to the county of residence ((for)) 28 of the person making the expenditure.

29 Sec. 416. RCW 42.17.135 and 1989 c 280 s 13 are each amended to 30 read as follows:

A ((candidate or)) political committee receiving a contribution earmarked for the benefit of ((another)) <u>a</u> candidate or <u>another</u> political committee shall:

34 (1) Report the contribution as required in RCW 42.17.080 and 35 42.17.090 (as recodified by this act);

1 (2) Complete a report, entitled "Earmarked contributions," on a 2 form prescribed by the commission ((by rule, which)) that identifies 3 the name and address of the person who made the contribution, the 4 candidate or political committee for whose benefit the contribution is 5 earmarked, the amount of the contribution, and the date ((on which)) 6 that the contribution was received; and

7 (3) ((Notify)) <u>Mail or deliver to</u> the commission and the candidate 8 or political committee ((for whose benefit)) <u>benefiting from</u> the 9 contribution ((is earmarked regarding the receipt of the contribution 10 by mailing or delivering to the commission and to the candidate or 11 committee)) a copy of the "Earmarked contributions" report within two 12 working days of receipt of the contribution. ((Such notice shall be 13 given within two working days of receipt of the contribution.))

14 (4) A candidate or political committee receiving notification of an 15 earmarked contribution under subsection (3) of this section shall 16 report the contribution, once <u>notification of</u> the contribution is 17 received by the candidate or committee, in the same manner as ((the 18 receipt of)) any other contribution ((is disclosed in reports)), as 19 required by RCW 42.17.080 and 42.17.090 (as recodified by this act).

20

21

PART 5

POLITICAL ADVERTISING AND ELECTIONEERING COMMUNICATIONS

22 **Sec. 501.** RCW 42.17.561 and 2005 c 445 s 1 are each amended to 23 read as follows:

24 <u>(1)</u> The legislature finds that:

(((1))) (a) Timely disclosure to voters of the identity and sources
 of funding for electioneering communications is vitally important to
 the integrity of state, local, and judicial elections.

28 (((2))) (b) Electioneering communications that identify political 29 candidates for state, local, or judicial office and that are 30 distributed sixty days before an election for those offices are 31 intended to influence voters and the outcome of those elections.

32 (((3))) <u>(c)</u> The state has a compelling interest in providing voters 33 information about electioneering communications in political campaigns 34 concerning candidates for state, local, or judicial office so that 35 voters can be fully informed as to the: (((a))) <u>(i)</u> Source of support 1 or opposition to those candidates; and (((b))) <u>(ii)</u> identity of persons 2 attempting to influence the outcome of state, local, and judicial 3 candidate elections.

4 (((4))) (d) Nondisclosure of financial information about 5 advertising that masquerades as relating only to issues and not to 6 candidate campaigns fosters corruption or the appearance of corruption. 7 These consequences can be substantially avoided by full disclosure of 8 the identity and funding of those persons paying for such advertising.

9 (((5))) (e) The United States supreme court held in *McConnell* et 10 al. v. Federal Elections Commission, 540 U.S. 93, 124 S.Ct. 619, 157 L.Ed.2d 491 (2003) that speakers seeking to influence elections do not 11 12 possess an inviolable free speech right to engage in electioneering 13 communications regarding elections, including when issue advocacy is 14 the functional equivalent of express advocacy. Therefore, such election campaign communications can be regulated and the source of 15 funding disclosed. 16

17 (((6))) <u>(f)</u> The state ((also)) has a sufficiently compelling 18 interest in preventing corruption in political campaigns to justify and 19 restore contribution limits and restrictions on the use of soft money 20 in RCW 42.17.640 <u>(as recodified by this act)</u>. Those interests include 21 restoring restrictions on the use of such funds for electioneering 22 communications, as well as the laws preventing circumvention of those 23 limits and restrictions.

24 (2) Based upon the findings in this section, chapter 445, Laws of 25 2005 is narrowly tailored to accomplish the following and is intended 26 to:

27 (a) Improve the disclosure to voters of information concerning persons and entities seeking to influence state, local, and judicial 28 campaigns through reasonable and effective mechanisms, including 29 improving disclosure of the source, identity, and funding of 30 electioneering communications concerning state, local, and judicial 31 candidate campaigns; 32 33 (b) Regulate electioneering communications that mention state, local, and judicial candidates and that are broadcast, mailed, erected, 34 distributed, or otherwise published right before the election so that 35

36 the public knows who is paying for such communications;

37 (c) Reenact and amend the contribution limits in RCW 42.17.640 (7)
 38 and (15) (as recodified by this act) and the restrictions on the use of

soft money, including as applied to electioneering communications, as 1 2 those limits and restrictions were in effect following the passage of chapter 2, Laws of 1993 (Initiative Measure No. 134) and before the 3 state supreme court decision in Washington State Republican Party v. 4 Washington State Public Disclosure Commission, 141 Wn.2d 245, 4 P.3d 5 6 808 (2000). The commission is authorized to fully restore the implementation of the limits and restrictions of RCW 42.17.640 (7) and 7 (15) (as recodified by this act) in light of *McConnell et al.* v. 8 Federal Elections Commission, 540 U.S. 93, 124 S.Ct. 619, 157 L.Ed.2d 9 491 (2003). The United States supreme court upheld the disclosure and 10 regulation of electioneering communications in political campaigns, 11 including but not limited to issue advocacy that is the functional 12 13 equivalent of express advocacy; and 14 (d) Authorize the commission to adopt rules to implement chapter

15 <u>445, Laws of 2005.</u>

16 **Sec. 502.** RCW 42.17.565 and 2005 c 445 s 3 are each amended to 17 read as follows:

18 (1) A payment for or promise to pay for any electioneering 19 communication shall be reported to the commission by the sponsor on 20 forms the commission shall develop by rule to include, at a minimum, 21 the following information:

22 (a) Name and address of the sponsor;

23

(b) Source of funds for the communication, including:

(i) General treasury funds. The name and address of businesses, 24 25 unions, groups, associations, or other organizations using general 26 treasury funds for the communication, however, if a business, union, association, or other organization undertakes a 27 group, special solicitation of its members or other persons for an electioneering 28 29 communication, or it otherwise receives funds for an electioneering communication, that entity shall report pursuant to (b)(ii) of this 30 31 subsection;

(ii) Special solicitations and other funds. The name, address, and, for individuals, occupation and employer, of a person whose funds were used to pay for the electioneering communication, along with the amount, if such funds from the person have exceeded two hundred fifty dollars in the aggregate for the electioneering communication; and (iii) Any other source information required or exempted by the
 commission by rule;

3 (c) Name and address of the person to whom an electioneering
4 communication related expenditure was made;

5 (d) A detailed description of each expenditure of more than one6 hundred dollars;

7 (e) The date the expenditure was made and the date the
8 electioneering communication was first broadcast, transmitted, mailed,
9 erected, distributed, or otherwise published;

10 (f) The amount of the expenditure;

11 (g) The name of each candidate clearly identified in the 12 electioneering communication, the office being sought by each 13 candidate, and the amount of the expenditure attributable to each 14 candidate; and

15 (h) Any other information the commission may require or exempt by 16 rule.

(2) Electioneering communications shall be reported as follows: The sponsor of an electioneering communication shall report to the commission within twenty-four hours of, or on the first working day after, the date the electioneering communication is broadcast, transmitted, mailed, erected, distributed, or otherwise published.

(3) Electioneering communications shall be reported electronically
by the sponsor using software provided or approved by the commission.
The commission may make exceptions on a case-by-case basis for a
sponsor who lacks the technological ability to file reports using the
electronic means provided or approved by the commission.

27 (4) All persons required to report under RCW 42.17.065, 42.17.080, 42.17.090, and 42.17.100 (as recodified by this act) are subject to the 28 29 requirements of this section, although the commission may determine by 30 rule that persons filing according to those sections may be exempt from reporting some of the information otherwise required by this section. 31 32 The commission may determine that reports filed pursuant to this section also satisfy the requirements of RCW 42.17.100 and 42.17.103 33 (as recodified by this act). 34

(5) Failure of any sponsor to report electronically under thissection shall be a violation of this chapter.

1 Sec. 503. RCW 42.17.570 and 2005 c 445 s 4 are each amended to
2 read as follows:

3 (1) An electioneering communication made by а person in 4 cooperation, consultation, or concert with, or at the request or 5 suggestion of, a candidate, a candidate's authorized committee, or 6 their agents is a contribution to the candidate.

7 (2) An electioneering communication made by a person in 8 cooperation, consultation, or concert with, or at the request or 9 suggestion of, a political committee or its agents is a contribution to 10 the political committee.

(3) If an electioneering communication is not a contribution pursuant to subsection (1) or (2) of this section, the sponsor shall file an affidavit or declaration so stating at the time the sponsor is required to report the electioneering communication expense under RCW 42.17.565 (as recodified by this act).

16 **Sec. 504.** RCW 42.17.575 and 2005 c 445 s 5 are each amended to 17 read as follows:

(1) The sponsor of an electioneering communication shall preserve all financial records relating to the communication, including books of account, bills, receipts, contributor information, and ledgers, for not less than five calendar years following the year in which the communication was broadcast, transmitted, mailed, erected, or otherwise published.

(2) All reports filed under RCW 42.17.565 (as recodified by this 24 25 act) shall be certified as correct by the sponsor. If the sponsor is 26 an individual using his or her own funds to pay for the communication, 27 the certification shall be signed by the individual. If the sponsor is a political committee, the certification shall be signed by the 28 29 If is another committee treasurer. the sponsor entity, the certification shall be signed by the individual responsible for 30 31 authorizing the expenditure on the entity's behalf.

32 **Sec. 505.** RCW 42.17.510 and 2005 c 445 s 9 are each amended to 33 read as follows:

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

relating to candidates or ballot propositions, shall include the 1 2 sponsor's name. The use of an assumed name for the sponsor of electioneering communications, independent expenditures, or political 3 advertising ((shall be)) is unlawful. For partisan office, if a 4 candidate has expressed a party or independent preference on the 5 6 declaration of candidacy, that party or independent designation shall be clearly identified in electioneering communications, independent 7 8 expenditures, or political advertising.

9 (2) In addition to the materials required by subsection (1) of this 10 section, except as specifically addressed in subsections (4) and (5) of 11 this section, all political advertising undertaken as an independent 12 expenditure by a person or entity other than a party organization, and 13 all electioneering communications, must include the following statement as part of the communication "NOTICE TO VOTERS (Required by law): This 14 15 advertisement is not authorized or approved by any candidate. It is paid for by (name, address, city, state)." If the advertisement 16 17 undertaken as an independent expenditure or electioneering 18 communication is ((undertaken)) by a nonindividual other than a party 19 organization, then the following notation must also be included: qoT" 20 Five Contributors," followed by a listing of the names of the five 21 persons or entities making the largest contributions in excess of seven 22 hundred dollars reportable under this chapter during the twelve-month 23 period before the date of the advertisement or communication.

24 (3) The statements and listings of contributors required by 25 subsections (1) and (2) of this section shall:

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

31

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

32

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

(4) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual image, the following statement must either be clearly spoken, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background: "No candidate

authorized this ad. Paid for by (name, city, state)." 1 If the 2 advertisement or communication is ((undertaken)) by a nonindividual other than a party organization, then the following notation must also 3 4 be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the largest contributions 5 6 in excess of seven hundred dollars reportable under this chapter during 7 the twelve-month period before the date of the advertisement. Abbreviations may be used to describe contributing entities if the full 8 9 name of the entity has been clearly spoken previously during the 10 broadcast advertisement.

11 (5) The following statement shall be clearly spoken in an 12 independent expenditure or electioneering communication transmitted by 13 a method that does not include a visual image: "No candidate Paid for by (name, city, state)." 14 authorized this ad. If the 15 independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following 16 statement must also be included: "Top Five Contributors" followed by 17 18 a listing of the names of the five persons or entities making the 19 largest contributions in excess of seven hundred dollars reportable under this chapter during the twelve-month period before the date of 20 21 the advertisement. Abbreviations may be used to describe contributing 22 entities if the full name of the entity has been clearly spoken 23 previously during the broadcast advertisement.

24 (6) Political yard signs are exempt from the requirement of subsections (1) and (2) of this section that the name and address of 25 26 the sponsor of political advertising be listed on the advertising. In 27 addition, the public disclosure commission shall, by rule, exempt from the identification requirements of subsections (1) and (2) of this 28 29 section forms of political advertising such as campaign buttons, 30 balloons, pens, pencils, sky-writing, inscriptions, and other forms of advertising where identification is impractical. 31

32 (7) For the purposes of this section, "yard sign" means any outdoor33 sign with dimensions no greater than eight feet by four feet.

34 **Sec. 506.** RCW 42.17.520 and 1984 c 216 s 2 are each amended to 35 read as follows:

36 At least one picture of the candidate used in any political

advertising shall have been taken within the last five years and shall be no smaller than ((the largest)) any other picture of the same candidate used in the same advertisement.

4 **Sec. 507.** RCW 42.17.540 and 1984 c 216 s 4 are each amended to 5 read as follows:

6 (1) Except as provided in subsection (2) of this section, the 7 responsibility for compliance with RCW 42.17.510 through 42.17.530 (as 8 recodified by this act) shall ((rest)) be with the sponsor of the 9 political advertising and not with the broadcasting station or other 10 medium.

11 (2) If a broadcasting station or other medium changes the content 12 of a political advertisement, the station or medium shall be 13 responsible for any failure of the advertisement to comply with RCW 14 42.17.510 through 42.17.530 (as recodified by this act) that results 15 from that change.

16 **Sec. 508.** RCW 42.17.110 and 2005 c 445 s 8 are each amended to 17 read as follows:

18 (1) Each commercial advertiser who has accepted or provided 19 political advertising or electioneering communications during the 20 election campaign shall maintain <u>documents and books of account that</u> 21 <u>shall be</u> open for public inspection <u>during normal business hours</u> during 22 the campaign and for a period of no less than three years after the 23 date of the applicable election((, <u>during normal business hours</u>,)). 24 <u>The</u> documents and books of account ((<u>which</u>)) shall specify:

25 (a) The names and addresses of persons from whom it accepted 26 political advertising or electioneering communications;

27

(b) The exact nature and extent of the services rendered; and

(c) The ((consideration)) total cost and the manner of ((paying
 that consideration for such)) payment for the services.

30 (2) <u>At the request of the commission, each commercial advertiser</u> 31 ((which must)) required to comply with subsection (1) of this section 32 shall deliver to the commission((, upon its request,)) copies of 33 ((such)) the information ((as)) that must be maintained and be open for 34 public inspection pursuant to subsection (1) of this section. 1 2

PART 6 CAMPAIGN CONTRIBUTION LIMITS AND OTHER RESTRICTIONS

3 Sec. 601. RCW 42.17.610 and 1993 c 2 s 1 are each amended to read 4 as follows:

5

(1) The people of the state of Washington find and declare that:

6 (((1))) <u>(a)</u> The financial strength of certain individuals or 7 organizations should not permit them to exercise a disproportionate or 8 controlling influence on the election of candidates.

9 (((2))) <u>(b)</u> Rapidly increasing political campaign costs have led 10 many candidates to raise larger percentages of money from special 11 interests with a specific financial stake in matters before state 12 government. This has caused the public perception that decisions of 13 elected officials are being improperly influenced by monetary 14 contributions.

15 (((3))) (c) Candidates are raising less money in small 16 contributions from individuals and more money from special interests. 17 This has created the public perception that individuals have an 18 insignificant role to play in the political process.

19 (2) By limiting campaign contributions, the people intend to:

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

(b) Reduce the influence of large organizational contributors; and
 (c) Restore public trust in governmental institutions and the
 electoral process.

25 **Sec. 602.** RCW 42.17.640 and 2006 c 348 s 1 are each amended to 26 read as follows:

27

(1) The contribution limits in this section apply to:

28 (a) Candidates for ((state)) legislative office;

29 (b) Candidates for state office other than ((state)) legislative 30 office;

31 (c) Candidates for county office in a county that has over two 32 hundred thousand registered voters;

33 (d) Candidates for special purpose district office if that district 34 is authorized to provide freight and passenger transfer and terminal 35 facilities and that district has over two hundred thousand registered 36 voters; 1 (e) Persons holding an office in (a) through (d) of this subsection 2 against whom recall charges have been filed or to a political committee 3 having the expectation of making expenditures in support of the recall 4 of a person holding the office;

- 5
- (f) Caucus political committees;
- б
- (g) Bona fide political parties.

7 (2) No person, other than a bona fide political party or a caucus 8 political committee, may make contributions to a candidate for a ((state)) legislative office or county office that in the aggregate 9 10 exceed ((seven)) eight hundred dollars or to a candidate for a public office in a special purpose district or a state office other than a 11 12 ((state)) legislative office that in the aggregate exceed one thousand 13 ((four)) six hundred dollars for each election in which the candidate 14 is on the ballot or appears as a write-in candidate. Contributions to candidates subject to the limits in this section made with respect to 15 a primary may not be made after the date of the primary. 16 However, 17 contributions to a candidate or a candidate's authorized committee may 18 be made with respect to a primary until thirty days after the primary, 19 subject to the following limitations: (a) The candidate lost the primary; (b) the candidate's authorized committee has insufficient 20 21 funds to pay debts outstanding as of the date of the primary; and (c) 22 the contributions may only be raised and spent to satisfy the 23 outstanding debt. Contributions to candidates subject to the limits in 24 this section made with respect to a general election may not be made 25 after the final day of the applicable election cycle.

26 (3) No person, other than a bona fide political party or a caucus political committee, may make contributions to a state official, a 27 county official, or a public official in a special purpose district 28 29 against whom recall charges have been filed, or to a political 30 committee having the expectation of making expenditures in support of the recall of the state official, county official, or public official 31 32 in a special purpose district during a recall campaign that in the aggregate exceed ((seven)) eight hundred dollars if for a ((state)) 33 legislative office or county office or one thousand ((four)) six 34 35 hundred dollars if for a special purpose district office or a state 36 office other than a ((state)) legislative office.

(4)(a) Notwithstanding subsection (2) of this section, no bona fide
 political party or caucus political committee may make contributions to

a candidate during an election cycle that in the aggregate exceed (i) 1 2 ((seventy)) eighty cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is 3 elected if the contributor is a caucus political committee or the 4 governing body of a state organization, or (ii) ((thirty-five)) forty 5 б cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county 7 8 central committee or a legislative district committee.

9 (b) No candidate may accept contributions from a county central 10 committee or a legislative district committee during an election cycle 11 that when combined with contributions from other county central 12 committees or legislative district committees would in the aggregate 13 exceed ((thirty-five)) forty cents times the number of registered 14 voters in the jurisdiction from which the candidate is elected.

15 (5)(a) Notwithstanding subsection (3) of this section, no bona fide political party or caucus political committee may make contributions to 16 a state official, county official, or a public official in a special 17 18 purpose district against whom recall charges have been filed, or to a 19 political committee having the expectation of making expenditures in 20 support of the state official, county official, or a public official in 21 a special purpose district during a recall campaign that in the 22 aggregate exceed (i) ((seventy)) eighty cents multiplied by the number 23 of eligible registered voters in the jurisdiction entitled to recall 24 the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) ((thirty-five)) 25 26 forty cents multiplied by the number of registered voters in the 27 jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee. 28

(b) No official holding an office specified in subsection (1) of 29 30 this section against whom recall charges have been filed, no authorized committee of the official, and no political committee having the 31 32 expectation of making expenditures in support of the recall of the 33 official may accept contributions from a county central committee or a legislative district committee during an election cycle that when 34 35 combined with contributions from other county central committees or 36 legislative district committees would in the aggregate exceed ((thirty-37 five)) forty cents multiplied by the number of registered voters in the 38 jurisdiction from which the candidate is elected.

1 (6) For purposes of determining contribution limits under 2 subsections (4) and (5) of this section, the number of eligible 3 registered voters in a jurisdiction is the number at the time of the 4 most recent general election in the jurisdiction.

(7) Notwithstanding subsections (2) through (5) of this section, no 5 б person other than an individual, bona fide political party, or caucus 7 political committee may make contributions reportable under this 8 chapter to a caucus political committee that in the aggregate exceed 9 ((seven)) eight hundred dollars in a calendar year or to a bona fide 10 political party that in the aggregate exceed ((three)) four thousand ((five hundred)) dollars in a calendar year. This subsection does not 11 12 apply to loans made in the ordinary course of business.

13 (8) For the purposes of RCW 42.17.640 through 42.17.790 (as 14 recodified by this act), a contribution to the authorized political 15 committee of a candidate or of an official specified in subsection (1) 16 of this section against whom recall charges have been filed is 17 considered to be a contribution to the candidate or official.

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

27 (11) RCW 42.17.640 through 42.17.790 (as recodified by this act) apply to a special election conducted to fill a vacancy in an office 28 subsection (1) of this section. 29 specified in However, the 30 contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not 31 32 be counted toward any of the limitations that apply to the candidate or 33 to contributions made to the candidate for any other primary or election. 34

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

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

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

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

22 (a) An expenditure or contribution earmarked for voter 23 registration, for absentee ballot information, for precinct caucuses, 24 for get-out-the-vote campaigns, for precinct judges or inspectors, for 25 sample ballots, or for ballot counting, all without promotion of or 26 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.

30 **Sec. 603.** RCW 42.17.645 and 2006 c 348 s 2 are each amended to 31 read as follows:

(1) No person may make contributions to a candidate for judicial office that in the aggregate exceed one thousand ((four)) six 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 a candidate or a candidate's authorized committee may

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

9 (2) This section through RCW 42.17.790 (as recodified by this act) 10 apply to a special election conducted to fill a vacancy in an office. 11 However, the contributions made to a candidate or received by a 12 candidate for a primary or special election conducted to fill such a 13 vacancy will not be counted toward any of the limitations that apply to 14 the candidate or to contributions made to the candidate for any other 15 primary or election.

16 (3) No person may accept contributions that exceed the contribution 17 limitations provided in this section.

18 (4) The dollar limits in this section must be adjusted according to
 19 RCW 42.17.690 (as recodified by this act).

20 NEW SECTION. Sec. 604. REPORTABLE CONTRIBUTIONS--PREELECTION 21 LIMITATIONS. (1) It is a violation of this chapter for any person to 22 make, or for any candidate or political committee to accept from any 23 one person, contributions reportable under RCW 42.17.090 (as recodified by this act) in the aggregate exceeding fifty thousand dollars for any 24 25 campaign for statewide office or exceeding five thousand dollars for 26 any other campaign subject to the provisions of this chapter within twenty-one days of a general election. This subsection does not apply 27 28 to contributions made by, or accepted from, a bona fide political party 29 as defined in this chapter, excluding the county central committee or 30 legislative district committee.

31 (2) Contributions governed by this section include, but are not 32 limited to, contributions made or received indirectly through a third 33 party or entity whether the contributions are or are not reported to 34 the commission as earmarked contributions under RCW 42.17.135 (as 35 recodified by this act). 1 **Sec. 605.** RCW 42.17.070 and 2007 c 358 s 3 are each amended to 2 read as follows:

No expenditures may be made or incurred by any candidate or political committee ((except on the authority of)) unless authorized by the candidate or the person or persons named on the candidate's or committee's registration form((, and)). A record of all such expenditures shall be maintained by the treasurer.

8 No expenditure of more than fifty dollars may be made in currency 9 unless a receipt, signed by the recipient and by the candidate or 10 treasurer, is prepared and made a part of the campaign's or political 11 committee's financial records.

12 Sec. 606. RCW 42.17.095 and 2005 c 467 s 1 are each amended to 13 read as follows:

The surplus funds of a candidate((7)) or ((of a political committee supporting or opposing a candidate,)) <u>a candidate's authorized</u> <u>committee</u> may only be disposed of in any one or more of the following ways:

18 (1) Return the surplus to a contributor in an amount not to exceed19 that contributor's original contribution;

20 (2) ((Transfer the surplus to the candidate's personal account as reimbursement)) Using surplus, reimburse the candidate for lost 21 earnings incurred as a result of that candidate's election campaign. 22 23 ((Such)) Lost earnings shall be verifiable as unpaid salary or, when the candidate is not salaried, as an amount not to exceed income 24 25 received by the candidate for services rendered during an appropriate, 26 corresponding time period. All lost earnings incurred shall be documented and a record thereof shall be maintained by the candidate or 27 the candidate's ((political)) authorized committee. 28 The committee 29 shall ((include)) maintain a copy of ((such)) this record ((when its expenditure for such reimbursement is reported pursuant to RCW 30 42.17.090)) in accordance with RCW 42.17.080(6) (as recodified by this 31 32 act);

(3) Transfer the surplus without limit to a political party or toa caucus political committee;

35 (4) Donate the surplus to a charitable organization registered in 36 accordance with chapter 19.09 RCW; (5) Transmit the surplus to the state treasurer for deposit in the
 general fund, the ((oral history)) <u>Washington state legacy project</u>,
 state library, and archives account under RCW 43.07.380, or the
 legislative international trade account under RCW ((44.04.270))
 <u>43.15.050</u>, as specified by the candidate or political committee; or

6 (6) Hold the surplus in the ((campaign)) depository or depositories designated in accordance with ((RCW 42.17.050)) section 404 of this act 7 8 for possible use in a future election campaign for the same office last 9 sought by the candidate and report any such disposition in accordance 10 with RCW 42.17.090((: PROVIDED, That)) (as recodified by this act). If the candidate subsequently announces or publicly files for office, 11 12 the appropriate information ((as appropriate is)) must be reported to 13 the commission in accordance with RCW 42.17.040 through 42.17.090 (as recodified by this act). If a subsequent office is not sought the 14 15 surplus held shall be disposed of in accordance with the requirements of this section. 16

17 (7) Hold the surplus campaign funds in a separate account for 18 nonreimbursed public office-related expenses or as provided in this 19 section, and report any such disposition in accordance with RCW 20 42.17.090 (as recodified by this act). The separate account required 21 under this subsection shall not be used for deposits of campaign funds 22 that are not surplus.

(8) No candidate or authorized committee may transfer funds to anyother candidate or other political committee.

The disposal of surplus funds under this section shall not be considered a contribution for purposes of this chapter.

Sec. 607. CANDIDATES' POLITICAL COMMITTEES--27 NEW SECTION. 28 LIMITATIONS. A candidate may not knowingly establish, use, direct, or 29 control more than one political committee for the purpose of supporting that candidate during a particular election campaign. 30 This does not 31 prohibit: (1) In addition to a candidate's having his or her own 32 political committee, the candidate's participation in a political committee established to support a slate of candidates that includes 33 34 the candidate; or (2) joint fund-raising efforts by candidates when a 35 separate political committee is established for that purpose and all 36 contributions are disbursed to and accounted for on a pro rata basis by 37 the benefiting candidates.

1 **Sec. 608.** RCW 42.17.125 and 1995 c 397 s 29 are each amended to 2 read as follows:

Contributions received and reported in accordance with RCW 4 42.17.060 through 42.17.090 <u>(as recodified by this act)</u> may only be 5 ((transferred)) <u>paid</u> to ((the personal account of)) a candidate, or 6 ((of)) a treasurer or other individual or expended for such 7 individual's personal use under the following circumstances:

8 (1) Reimbursement for or ((loans)) payments to cover lost earnings 9 incurred as a result of campaigning or services performed for the political committee. ((Such)) Lost earnings shall be verifiable as 10 11 unpaid salary, or when the individual is not salaried, as an amount not 12 to exceed income received by the individual for services rendered 13 during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record ((thereof)) shall be 14 15 maintained by the ((individual)) candidate or the ((individual's political)) candidate's authorized committee in accordance with RCW 16 42.17.080 (as recodified by this act). ((The political committee shall 17 include a copy of such record when its expenditure for such 18 19 reimbursement is reported pursuant to RCW 42.17.090.))

20 (2) Reimbursement for direct out-of-pocket election campaign and 21 postelection campaign related expenses made by the individual. То 22 receive reimbursement from the political committee, the individual 23 shall provide the political committee with written documentation as to 24 the amount, date, and description of each expense, and the political 25 committee shall include a copy of such information when its expenditure 26 for such reimbursement is reported pursuant to RCW 42.17.090 (as 27 recodified by this act).

(3) Repayment of loans made by the individual to political
committees((, which repayment)) shall be reported pursuant to RCW
42.17.090 (as recodified by this act). However, contributions may not
be used to reimburse a candidate for loans totaling more than ((three))
four thousand seven hundred dollars made by the candidate to the
candidate's own ((political)) authorized committee ((or campaign)).

34 **Sec. 609.** RCW 42.17.660 and 2005 c 445 s 12 are each amended to 35 read as follows:

36 For purposes of this chapter:

1 (1) A contribution by a political committee with funds that have 2 all been contributed by one person who exercises exclusive control over 3 the distribution of the funds of the political committee is a 4 contribution by the controlling person.

(2) Two or more entities are treated as a single entity if one of 5 the two or more entities is a subsidiary, branch, or department of a 6 7 corporation that is participating in an election campaign or making 8 contributions, or a local unit or branch of a trade association, labor 9 union, or collective bargaining association that is participating in an 10 election campaign or making contributions. All contributions made by 11 a person or political committee whose contribution or expenditure 12 activity is financed, maintained, or controlled by a trade association, 13 labor union, collective bargaining organization, or the local unit of 14 a trade association, labor union, or collective bargaining organization are considered made by the trade association, labor union, collective 15 bargaining organization, or local unit of a trade association, labor 16 17 union, or collective bargaining organization.

18 (3) The commission shall adopt rules to carry out this section and 19 is not subject to the time restrictions of RCW 42.17.370(1) (as 20 recodified by this act).

21 Sec. 610. RCW 42.17.720 and 1995 c 397 s 22 are each amended to 22 read as follows:

(1) A loan is considered to be a contribution from the lender and any guarantor of the loan and is subject to the contribution limitations of this chapter. The full amount of the loan shall be attributed to the lender and to each guarantor.

(2) A loan to a candidate for public office or the candidate's
 ((political)) <u>authorized</u> committee must be by written agreement.

29 (3) The proceeds of a loan made to a candidate for public office:

30 (a) By a commercial lending institution;

31 (b) Made in the regular course of business; and

32 (c) On the same terms ordinarily available to members of the33 public, are not subject to the contribution limits of this chapter.

34 **Sec. 611.** RCW 42.17.740 and 1995 c 397 s 23 are each amended to 35 read as follows:

(1) A person may not make a contribution of more than ((fifty))
 eighty dollars, other than an in-kind contribution, except by a written
 instrument containing the name of the donor and the name of the payee.

4 (2) A political committee may not make a contribution, other than 5 in-kind, except by a written instrument containing the name of the 6 donor and the name of the payee.

7 Sec. 612. RCW 42.17.790 and 1995 c 397 s 27 are each amended to 8 read as follows:

9 (1) Except as provided in subsection (2) of this section, a 10 candidate for public office or the candidate's ((political)) authorized 11 committee may not use or permit the use of contributions, whether or 12 not surplus, solicited for or received by the candidate ((for public office)) or the candidate's ((political)) <u>authorized</u> committee to 13 further the candidacy of the individual for an office other than the 14 office designated on the statement of organization. A contribution 15 16 solicited for or received on behalf of the candidate ((for public office)) is considered solicited or received for the candidacy for 17 which the individual is then a candidate if the contribution is 18 solicited or received before the general election((s)) for which the 19 20 candidate ((for public office)) is a nominee or is unopposed.

21 (2) With the written approval of the contributor, a candidate ((for 22 public office)) or the candidate's ((political)) authorized committee may use or permit the use of contributions, whether or not surplus, 23 24 solicited for or received by the candidate ((for public office)) or the 25 candidate's ((political)) authorized committee from that contributor to 26 further the candidacy of the individual for an office other than the office designated on the statement of organization. If the contributor 27 does not approve the use of his or her contribution to further the 28 29 candidacy of the individual for an office other than the office designated on the statement of organization at the time of the 30 31 contribution, the contribution must be considered surplus funds and 32 disposed of in accordance with RCW 42.17.095 (as recodified by this 33 <u>act)</u>.

34 **Sec. 613.** RCW 42.17.680 and 2002 c 156 s 1 are each amended to 35 read as follows:

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(1) No employer or labor organization may increase the salary of an

officer or employee, or ((give an emolument to)) compensate an officer, employee, or other person or entity, with the intention that the increase in salary, or the ((emolument)) compensation, or a part of it, be contributed or spent to support or oppose a candidate, state official against whom recall charges have been filed, political party, or political committee.

7 (2) No employer or labor organization may discriminate against an 8 officer or employee in the terms or conditions of employment for (a) the failure to contribute to, (b) the failure in any way to support or 9 10 oppose, or (c) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee. At least 11 12 annually, an employee from whom wages or salary are withheld under 13 subsection (3) of this section shall be notified of the provisions of 14 this subsection.

(3) No employer or other person or entity responsible for the 15 disbursement of funds in payment of wages or salaries may withhold or 16 17 divert a portion of an employee's wages or salaries for contributions 18 to political committees or for use as political contributions except upon the written request of the employee. The request must be made on 19 a form prescribed by the commission informing the employee of the 20 21 prohibition against employer and labor organization discrimination 22 described in subsection (2) of this section. The employee may revoke 23 the request at any time. At least annually, the employee shall be 24 notified about the right to revoke the request.

(4) Each person or entity who withholds contributions under 25 26 subsection (3) of this section shall maintain open for public 27 inspection for a period of no less than three years, during normal business hours, documents and books of accounts that shall include a 28 copy of each employee's request, the amounts and dates funds were 29 30 actually withheld, and the amounts and dates funds were transferred to a political committee. Copies of such information shall be delivered 31 32 to the commission upon request.

PART 7

PUBLIC OFFICIALS', EMPLOYEES', AND AGENCIES' CAMPAIGN RESTRICTIONS, PROHIBITIONS, AND REPORTING

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1 **Sec. 701.** RCW 42.17.130 and 2006 c 215 s 2 are each amended to 2 read as follows:

3 No elective official nor any employee of his (([or her])) or her 4 office nor any person appointed to or employed by any public office or 5 agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, for the purpose of 6 7 assisting a campaign for election of any person to any office or for 8 the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of 9 10 stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office 11 space, 12 publications of the office or agency, and clientele lists of persons 13 served by the office or agency. However, this does not apply to the 14 following activities:

(1) Action taken at an open public meeting by members of an elected 15 legislative body or by an elected board, council, or commission of a 16 17 special purpose district including, but not limited to, fire districts, 18 public hospital districts, library districts, park districts, port 19 districts, public utility districts, school districts, sewer districts, and water districts, to express a collective decision, or to actually 20 21 vote upon a motion, proposal, resolution, order, or ordinance, or to 22 support or oppose a ballot proposition so long as (a) any required 23 notice of the meeting includes the title and number of the ballot 24 proposition, and (b) members of the legislative body, members of the board, council, or commission of the special purpose district, or 25 26 members of the public are afforded an approximately equal opportunity 27 for the expression of an opposing view;

(2) A statement by an elected official in support of or in
 opposition to any ballot proposition at an open press conference or in
 response to a specific inquiry;

31 (3) Activities which are part of the normal and regular conduct of 32 the office or agency.

33 (4) This section does not apply to any person who is a state 34 officer or state employee as defined in RCW 42.52.010.

35 **Sec. 702.** RCW 42.17.245 and 2005 c 274 s 282 are each amended to 36 read as follows:

37 After January 1st and before April 15th of each calendar year, the

state treasurer, each county, public utility district, and port district treasurer, and each treasurer of an incorporated city or town whose population exceeds one thousand shall file with the commission:

4 (1) A statement under oath that no public funds under that 5 treasurer's control were invested in any institution where the 6 treasurer or, in the case of a county, a member of the county finance 7 committee, held during the reporting period an office, directorship, 8 partnership interest, or ownership interest; or

9 (2) A report disclosing for the previous calendar year: (a) The 10 name and address of each financial institution in which the treasurer 11 or, in the case of a county, a member of the county finance committee, 12 held during the reporting period an office, directorship, partnership 13 interest, or ownership interest which holds or has held during the reporting period public accounts of the governmental entity for which 14 the treasurer is responsible; (b) the aggregate sum of time and demand 15 deposits held in each such financial institution on December 31; and 16 17 (c) the highest balance held at any time during such reporting period((: PROVIDED, That)). The state treasurer shall disclose the 18 19 highest balance information only upon a public records request under 20 chapter 42.56 RCW. The statement or report required by this section 21 shall be filed either with the statement required under RCW 42.17.240 22 (as recodified by this act) or separately.

PART 8

LOBBYING DISCLOSURE AND RESTRICTIONS

25 **Sec. 801.** RCW 42.17.150 and 1987 c 201 s 1 are each amended to 26 read as follows:

(1) Before ((doing any)) lobbying, or within thirty days after being employed as a lobbyist, whichever occurs first, a lobbyist shall register by filing with the commission a lobbyist registration statement, in such detail as the commission shall prescribe, ((showing)) that includes the following information:

32 (a) ((His)) <u>The lobbyist's</u> name, permanent business address, and 33 any temporary residential and business addresses in Thurston county 34 during the legislative session;

35 (b) The name, address and occupation or business of the lobbyist's 36 employer;

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(c) The duration of ((his)) the lobbyist's employment;

2 (d) ((His)) <u>The</u> compensation <u>to be received</u> for lobbying((; how 3 <u>much he is</u>)), <u>the amount</u> to be paid for expenses, and what expenses are 4 to be reimbursed;

5 (e) Whether the ((person from whom he receives said compensation 6 employs him)) lobbyist is employed solely as a lobbyist or whether 7 ((he)) the lobbyist is a regular employee performing services for his 8 or her employer which include but are not limited to the influencing of 9 legislation;

10 (f) The general subject or subjects ((of his legislative interest))
11 to be lobbied;

12 (g) A written authorization from each of the lobbyist's employers 13 confirming such employment;

(h) The name and address of the person who will have custody of the accounts, bills, receipts, books, papers, and documents required to be kept under this chapter;

17 (i) If the lobbyist's employer is an entity (including, but not 18 limited to, business and trade associations) whose members include, or 19 which as a representative entity undertakes lobbying activities for, businesses, groups, associations, or organizations, the name and 20 21 address of each member of such entity or person represented by such 22 entity whose fees, dues, payments, or other consideration paid to such 23 entity during either of the prior two years have exceeded five hundred 24 dollars or who is obligated to or has agreed to pay fees, dues, 25 payments, or other consideration exceeding five hundred dollars to such 26 entity during the current year.

27 (2) Any lobbyist who receives or is to receive compensation from 28 more than one person for ((his services as a lobbyist)) lobbying shall 29 file a separate notice of representation ((with respect to)) for each 30 ((such)) person((; except that where a lobbyist whose fee for acting as 31 such in respect to the same legislation or type of legislation is, or 32 is to be, paid or contributed to by more than one person then such lobbyist may file a single statement, in which he shall detail the 33 name, business address and occupation of each person so paying or 34 contributing, and the amount of the respective payments or 35 36 contributions made by each such person)). However, if two or more 37 persons are jointly paying or contributing to the payment of the

lobbyist, the lobbyist may file a single statement detailing the name,
 business address, and occupation of each person paying or contributing
 and the respective amounts to be paid or contributed.

4 (3) Whenever a change, modification, or termination of the 5 lobbyist's employment occurs, the lobbyist shall((-)) <u>file with the</u> 6 <u>commission an amended registration statement</u> within one week of 7 ((such)) <u>the</u> change, modification, or termination((<u>, furnish full</u> 8 <u>information regarding the same by filing with the commission an amended</u> 9 <u>registration statement</u>)).

10 (4) Each <u>registered</u> lobbyist ((who has registered)) shall file a 11 new registration statement, revised as appropriate, on the second 12 Monday in January of each odd-numbered year((, and)). Failure to do so ((shall)) terminates ((his)) the lobbyist's registration.

14 **Sec. 802.** RCW 42.17.155 and 1995 c 397 s 6 are each amended to 15 read as follows:

16 Each lobbyist shall at the time he or she registers submit to the commission a recent photograph of himself or herself of a size and 17 format as determined by rule of the commission, together with the name 18 of the lobbyist's employer, the length of his or her employment as a 19 20 lobbyist before the legislature, a brief biographical description, and 21 any other information he or she may wish to submit not to exceed fifty 22 ((Such)) The photograph and information shall be words in length. 23 published by the commission at least biennially in a booklet form ((by 24 the commission)) for distribution to legislators and the public.

25 **Sec. 803.** RCW 42.17.160 and 1998 c 55 s 3 are each amended to read 26 as follows:

The following persons and activities ((shall be)) are exempt from registration and reporting under RCW 42.17.150, 42.17.170, and 42.17.200 (as recodified by this act):

30 (1) Persons who limit their lobbying activities to appearing before 31 public sessions of committees of the legislature, or public hearings of 32 state agencies;

33 (2) Activities by lobbyists or other persons whose participation
 34 has been solicited by an agency under RCW 34.05.310(2);

35 (3) News or feature reporting activities and editorial comment by

working members of the press, radio, or television and the publication or dissemination thereof by a newspaper, book publisher, regularly published periodical, radio station, or television station;

4 (4) Persons who lobby without compensation or other consideration for acting as a lobbyist((: PROVIDED, Such)), if the person makes no 5 expenditure for or on behalf of any member of the legislature or 6 elected official or public officer or employee of the state of 7 8 Washington in connection with such lobbying. The exemption contained 9 in this subsection is intended to permit and encourage citizens of this 10 state to lobby any legislator, public official, or state agency without 11 incurring any registration or reporting obligation provided they do not 12 exceed the limits stated above. Any person exempt under this 13 subsection (4) may at his or her option register and report under this 14 chapter;

(5) Persons who restrict their lobbying activities to no more than 15 four days or parts ((thereof)) of four days during any three-month 16 period and whose total expenditures during such three-month period for 17 18 or on behalf of any one or more members of the legislature or state 19 elected officials or public officers or employees of the state of 20 Washington in connection with such lobbying do not exceed twenty-five 21 dollars((: PROVIDED, That)). The commission shall ((promulgate 22 regulations)) adopt rules to require disclosure by persons exempt under 23 this subsection or their employers or entities which sponsor or 24 coordinate the lobbying activities of such persons if it determines that such regulations are necessary to prevent frustration of the 25 26 purposes of this chapter. Any person exempt under this subsection (5) may at his or her option register and report under this chapter; 27

28 (6) The governor;

29

(7) The lieutenant governor;

30 (8) Except as provided by RCW 42.17.190(1) (as recodified by this 31 <u>act</u>), members of the legislature;

32 (9) Except as provided by RCW 42.17.190(1) (as recodified by this 33 act), persons employed by the legislature for the purpose of aiding in 34 the preparation or enactment of legislation or the performance of 35 legislative duties;

(10) Elected officials, and officers and employees of any agency
 reporting under RCW 42.17.190(5) (as recodified by this act).

1 Sec. 804. RCW 42.17.170 and 1995 c 397 s 33 are each amended to
2 read as follows:

(1) Any lobbyist registered under RCW 42.17.150 (as recodified by 3 4 this act) and any person who lobbies shall file with the commission ((periodic)) monthly reports of his or her lobbying activities ((signed 5 6 by the lobbyist)). The reports shall be made in the form and manner 7 prescribed by the commission and must be signed by the lobbyist. ((They shall be due monthly and)) The monthly report shall be filed 8 9 within fifteen days after the last day of the calendar month covered by 10 the report.

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(2) ((Each such)) <u>The</u> monthly ((periodic)) report shall contain:

12 (a) The totals of all expenditures for lobbying activities made or 13 incurred by ((such)) the lobbyist or on behalf of ((such)) the lobbyist by the lobbyist's employer during the period covered by the report. 14 ((Such)) Expenditure totals for lobbying activities shall be segregated 15 according to financial category, including compensation; food and 16 17 refreshments; living accommodations; advertising; travel; 18 contributions; and other expenses or services. Each individual 19 expenditure of more than twenty-five dollars for entertainment shall be identified by date, place, amount, and the names of all persons ((in 20 21 the group partaking in or of such)) taking part in the entertainment, 22 along with the dollar amount attributable to each person, including 23 ((any portion thereof attributable to)) the lobbyist's ((participation therein, and shall include amounts actually expended on each person 24 where calculable, or allocating any portion of the expenditure to 25 26 individual participants.

- 27 Notwithstanding the foregoing, lobbyists are not required to report
 28 the following:
- 29 (i) Unreimbursed personal living and travel expenses not incurred 30 directly for lobbying;

31 (ii) Any expenses incurred for his or her own living 32 accommodations;

33 (iii) Any expenses incurred for his or her own travel to and from 34 hearings of the legislature;

35 (iv) Any expenses incurred for telephone, and any office expenses, 36 including rent and salaries and wages paid for staff and secretarial 37 assistance)) portion. (b) In the case of a lobbyist employed by more than one employer,
 the proportionate amount of ((such)) expenditures in each category
 incurred on behalf of each of ((his)) the lobbyist's employers.

4 (c) An itemized listing of each ((such expenditure)) contribution of money or of tangible or intangible personal property, whether 5 contributed by the lobbyist personally or delivered or transmitted by 6 7 the lobbyist, ((in the nature of a contribution of money or of tangible 8 or intangible personal property)) to any candidate, elected official, or officer or employee of any agency, or any political committee 9 10 supporting or opposing any ballot proposition, or for or on behalf of any candidate, elected official, or officer or employee of any agency, 11 12 any political committee supporting or opposing any ballot or 13 proposition. All contributions made to, or for the benefit of, any candidate, elected official, or officer or employee of any agency, or 14 any political committee supporting or opposing any ballot proposition 15 shall be identified by date, amount, and the name of the candidate, 16 elected official, or officer or employee of any agency, or any 17 18 political committee supporting or opposing any ballot proposition 19 receiving, or to be benefited by each such contribution.

(d) The subject matter of proposed legislation or other legislative activity or rule((-)) making under chapter 34.05 RCW, the state <u>administrative procedure act</u>, and the state agency considering the same, which the lobbyist has been engaged in supporting or opposing during the reporting period, unless exempt under RCW 42.17.160(2) (as <u>recodified by this act</u>).

(e) ((Such other information relevant to lobbying activities as the commission shall by rule prescribe. Information supporting such activities as are required to be reported is subject to audit by the commission.

30 (f)) A listing of each payment for an item specified in RCW 31 42.52.150(5) in excess of fifty dollars and each item specified in RCW 32 42.52.010(((9))) (10) (d) and (f) made to a state elected official, 33 state officer, or state employee. Each item shall be identified by 34 recipient, date, and approximate value of the item.

35 (((g))) <u>(f)</u> The total expenditures ((made)) paid or incurred during 36 the reporting period by the lobbyist for lobbying purposes, whether 37 through or on behalf of a lobbyist or otherwise((. As used in this 38 subsection, "expenditures" includes amounts paid or incurred during the

reporting period)), for (i) political advertising as defined in RCW 1 2 42.17.020 (as recodified by this act); and (ii) public relations, 3 telemarketing, polling, or similar activities if ((such)) the 4 activities, directly or indirectly, are intended, designed, or calculated to influence legislation or the adoption or rejection of a 5 rule, standard, or rate by an agency under the administrative procedure б 7 act. The report shall specify the amount, the person to whom the 8 amount was paid, and a brief description of the activity.

9 (3) ((If a state elected official or a member of such an official's 10 immediate family is identified by a lobbyist in such a report as having 11 received from the lobbyist an item specified in RCW 42.52.150(5) or 12 42.52.010(9) (d) or (f), the lobbyist shall transmit to the official a 13 copy of the completed form used to identify the item in the report at 14 the same time the report is filed with the commission)) Lobbyists are 15 not required to report the following:

16 <u>(a) Unreimbursed personal living and travel expenses not incurred</u> 17 <u>directly for lobbying;</u>

18 (b) Any expenses incurred for his or her own living accommodations;

19 (c) Any expenses incurred for his or her own travel to and from 20 <u>hearings of the legislature;</u>

21 (d) Any expenses incurred for telephone, and any office expenses, 22 including rent and salaries and wages paid for staff and secretarial 23 assistance.

(4) The commission may adopt rules to vary the content of lobbyist
reports to address specific circumstances, consistent with this
section. Lobbyist reports are subject to audit by the commission.

27 Sec. 805. RCW 42.17.172 and 1993 c 2 s 32 are each amended to read 28 as follows:

29 (1) When a listing or a report of contributions is made to the 30 commission under RCW 42.17.170(2)(c) (as recodified by this act), a 31 copy of the listing or report must be given to the candidate, elected 32 official, professional staff member of the legislature, or officer or 33 employee of an agency, or a political committee supporting or opposing 34 a ballot proposition named in the listing or report.

35 (2) If a state elected official or a member of the official's 36 immediate family is identified by a lobbyist in a lobbyist report as 37 having received from the lobbyist an item specified in RCW 42.52.150(5) 1 or 42.52.010(10) (d) or (f), the lobbyist shall transmit to the 2 official a copy of the completed form used to identify the item in the 3 report at the same time the report is filed with the commission.

4 **Sec. 806.** RCW 42.17.175 and 2001 c 54 s 3 are each amended to read 5 as follows:

б Any lobbyist registered under RCW 42.17.150 (as recodified by this 7 <u>act</u>), any person who lobbies, and any lobbyist's employer making a contribution or an aggregate of contributions to a single entity that 8 9 is one thousand dollars or more during a special reporting period, as specified in RCW 42.17.105 (as recodified by this act), before a 10 11 primary or general election((, as such period is specified in RCW 12 42.17.105(1),)) shall file one or more special reports ((for the 13 contribution or aggregate of contributions and for subsequent contributions made during that period under the same circumstances)) in 14 the same manner and to the same extent that a contributing political 15 16 committee must file ((such a report or reports)) under RCW 42.17.105 17 (as recodified by this act). ((Such a special report shall be filed in 18 the same manner provided under RCW 42.17.105 for a special report of a 19 contributing political committee.))

20 Sec. 807. RCW 42.17.180 and 1993 c 2 s 27 are each amended to read 21 as follows:

22 (1) Every employer of a lobbyist registered under this chapter 23 during the preceding calendar year and every person other than an 24 individual that made contributions aggregating to more than ((ten)) 25 sixteen thousand dollars or independent expenditures aggregating to 26 more than ((five)) eight hundred dollars during the preceding calendar year shall file with the commission on or before the last day of 27 28 February of each year a statement disclosing for the preceding calendar year the following information: 29

30 (a) The name of each state elected official and the name of each 31 candidate for state office who was elected to the office and any member 32 of the immediate family of those persons to whom the person reporting 33 has paid any compensation in the amount of ((five)) <u>eight</u> hundred 34 dollars or more during the preceding calendar year for personal 35 employment or professional services, including professional services 36 rendered by a corporation, partnership, joint venture, association,

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union, or other entity in which the person holds any office, directorship, or any general partnership interest, or an ownership interest of ten percent or more, the value of the compensation in accordance with the reporting provisions set out in RCW 42.17.241(2) (as recodified by this act), and the consideration given or performed in exchange for the compensation.

(b) The name of each state elected official, successful candidate 7 8 for state office, or members of his or her immediate family to whom the person reporting made expenditures, directly or indirectly, either 9 10 through a lobbyist or otherwise, the amount of the expenditures and the purpose for the expenditures. For the purposes of this subsection, 11 12 ((the term)) "expenditure" shall not include any expenditure made by 13 the employer in the ordinary course of business if the expenditure is 14 not made for the purpose of influencing, honoring, or benefiting the elected official, successful candidate, or member of his immediate 15 family, as an elected official or candidate. 16

17 (c) The total expenditures made by the person reporting for 18 lobbying purposes, whether through or on behalf of a registered 19 lobbyist or otherwise.

(d) All contributions made to a political committee supporting or opposing a candidate for state office, or to a political committee supporting or opposing a statewide ballot proposition. Such contributions shall be identified by the name and the address of the recipient and the aggregate amount contributed to each such recipient.

(e) The name and address of each registered lobbyist employed by
the person reporting and the total expenditures made by ((such)) the
person reporting for each ((such)) lobbyist for lobbying purposes.

(f) The names, offices sought, and party affiliations of candidates for state offices supported or opposed by independent expenditures of the person reporting and the amount of each such expenditure.

31 (g) The identifying proposition number and a brief description of 32 any statewide ballot proposition supported or opposed by expenditures 33 not reported under (d) of this subsection and the amount of each such 34 expenditure.

35 (h) ((Such)) Any other information ((as)) the commission prescribes 36 by rule.

37 (2)(a) Except as provided in (b) of this subsection, an employer of38 a lobbyist registered under this chapter shall file a special report

with the commission if the employer makes a contribution 1 or contributions aggregating more than one hundred dollars in a calendar 2 month to any one of the following: A candidate, elected official, 3 4 officer or employee of an agency, or political committee. The report shall identify the date and amount of each such contribution and the 5 name of the candidate, elected official, agency officer or employee, or 6 7 political committee receiving the contribution or to be benefited by 8 the contribution. The report shall be filed on a form prescribed by the commission and shall be filed within fifteen days after the last 9 10 day of the calendar month during which the contribution was made.

(b) The provisions of (a) of this subsection do not apply to a contribution ((which)) that is made through a registered lobbyist and reportable under RCW 42.17.170 (as recodified by this act).

14 **Sec. 808.** RCW 42.17.190 and 1995 c 397 s 7 are each amended to 15 read as follows:

16 (1) The house of representatives and the senate shall report 17 annually: The total budget; the portion of the total attributed to 18 staff; and the number of full-time and part-time staff positions by 19 assignment, with dollar figures as well as number of positions.

20 (2) Unless authorized by subsection (3) of this section or 21 otherwise expressly authorized by law, no public funds may be used 22 directly or indirectly for lobbying((: PROVIDED)). However, this does 23 not prevent officers or employees of an agency from communicating with 24 a member of the legislature on the request of that member; or 25 communicating to the legislature, through the proper official channels, 26 requests for legislative action or appropriations ((which)) that are deemed necessary for the efficient conduct of the public business or 27 actually made in the proper performance of their official duties((+ 28 29 PROVIDED FURTHER, That)). This subsection does not apply to the 30 legislative branch.

(3) Any agency, not otherwise expressly authorized by law, may expend public funds for lobbying, but such lobbying activity shall be limited to (a) providing information or communicating on matters pertaining to official agency business to any elected official or officer or employee of any agency or (b) advocating the official position or interests of the agency to any elected official or officer or employee of any agency((÷ PROVIDED, That)). Public funds may not

be expended as a direct or indirect gift or campaign contribution to 1 any elected official or officer or employee of any agency. 2 For the purposes of this subsection, ((the term)) "gift" means a voluntary 3 transfer of any thing of value without consideration of equal or 4 greater value, but does not include informational material transferred 5 for the sole purpose of informing the recipient about matters 6 7 pertaining to official agency business. This section does not permit 8 the printing of a state publication ((which)) that has been otherwise prohibited by law. 9

10 (4) No elective official or any employee of his or her office or any person appointed to or employed by any public office or agency may 11 12 use or authorize the use of any of the facilities of a public office or 13 agency, directly or indirectly, in any effort to support or oppose an 14 initiative to the legislature. "Facilities of a public office or agency" has the same meaning as in RCW 42.17.130 (as recodified by this 15 act) and 42.52.180. The provisions of this subsection shall not apply 16 17 to the following activities:

18 (a) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote 19 upon a motion, proposal, resolution, order, or ordinance, or to support 20 21 or oppose an initiative to the legislature so long as (i) any required 22 notice of the meeting includes the title and number of the initiative to the legislature, and (ii) members of the legislative body or members 23 24 of the public are afforded an approximately equal opportunity for the 25 expression of an opposing view;

(b) A statement by an elected official in support of or in
opposition to any initiative to the legislature at an open press
conference or in response to a specific inquiry;

29 (c) Activities ((which)) that are part of the normal and regular 30 conduct of the office or agency;

31 (d) Activities conducted regarding an initiative to the legislature
32 that would be permitted under RCW 42.17.130 (as recodified by this act)
33 and 42.52.180 if conducted regarding other ballot measures.

(5) Each state agency, county, city, town, municipal corporation,
quasi-municipal corporation, or special purpose district ((which)) that
expends public funds for lobbying shall file with the commission,
except as exempted by (d) of this subsection, quarterly statements
providing the following information for the quarter just completed:

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(a) The name of the agency filing the statement;

2 (b) The name, title, and job description and salary of each elected 3 official, officer, or employee who lobbied, a general description of 4 the nature of the lobbying, and the proportionate amount of time spent 5 on the lobbying;

6 (c) A listing of expenditures incurred by the agency for lobbying 7 including but not limited to travel, consultant or other special 8 contractual services, and brochures and other publications, the 9 principal purpose of which is to influence legislation;

10 (d) For purposes of this subsection ((the term)), "lobbying" does
11 not include:

(i) Requests for appropriations by a state agency to the office of financial management pursuant to chapter 43.88 RCW nor requests by the office of financial management to the legislature for appropriations other than its own agency budget requests;

16 (ii) Recommendations or reports to the legislature in response to 17 a legislative request expressly requesting or directing a specific 18 study, recommendation, or report by an agency on a particular subject;

(iii) Official reports including recommendations submitted to the legislature on an annual or biennial basis by a state agency as required by law;

(iv) Requests, recommendations, or other communication between or
 within state agencies or between or within local agencies;

(v) Any other lobbying to the extent that it includes:

25 (A) Telephone conversations or preparation of written 26 correspondence;

27 (B) In-person lobbying on behalf of an agency of no more than four 28 days or parts thereof during any three-month period by officers or 29 employees of that agency and in-person lobbying by any elected official 30 of such agency on behalf of such agency or in connection with the powers, duties, or compensation of such official((: PROVIDED, That)). 31 32 The total expenditures of nonpublic funds made in connection with such lobbying for or on behalf of any one or more members of the legislature 33 or state elected officials or public officers or employees of the state 34 35 of Washington ((do)) may not exceed fifteen dollars for any three-month 36 period((: PROVIDED FURTHER, That)). The exemption under this 37 subsection (5)(d)(v)(B) is in addition to the exemption provided in (d)(v)(A) of this subsection; 38

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(C) Preparation or adoption of policy positions.

The statements shall be in the form and the manner prescribed by the commission and shall be filed within one month after the end of the quarter covered by the report.

5 (6) In lieu of reporting under subsection (5) of this section, any county, city, town, municipal corporation, quasi municipal corporation, 6 7 or special purpose district may determine and so notify the public 8 disclosure commission((-)) that elected officials, officers, or employees who, on behalf of any such local agency, engage in lobbying 9 10 reportable under subsection (5) of this section shall register and report such reportable lobbying in the same manner as a lobbyist who is 11 12 required to register and report under RCW 42.17.150 and 42.17.170 (as 13 <u>recodified by this act</u>). Each such local agency shall report as a 14 lobbyist employer pursuant to RCW 42.17.180 (as recodified by this 15 act).

16 (7) The provisions of this section do not relieve any elected 17 official or officer or employee of an agency from complying with other 18 provisions of this chapter, if such elected official, officer, or 19 employee is not otherwise exempted.

(8) The purpose of this section is to require each state agency and 20 21 certain local agencies to report the identities of those persons who 22 lobby on behalf of the agency for compensation, together with certain 23 separately identifiable and measurable expenditures of an agency's 24 funds for that purpose. This section shall be reasonably construed to 25 accomplish that purpose and not to require any agency to report any of 26 its general overhead cost or any other costs ((which)) that relate only 27 indirectly or incidentally to lobbying or ((which)) <u>that</u> are equally 28 attributable to or inseparable from nonlobbying activities of the 29 agency.

30 The public disclosure commission may adopt rules clarifying and 31 implementing this legislative interpretation and policy.

32 **Sec. 809.** RCW 42.17.200 and 1990 c 139 s 5 are each amended to 33 read as follows:

(1) Any person who has made expenditures, not reported by a
registered lobbyist under RCW 42.17.170 (as recodified by this act) or
by a candidate or political committee under RCW 42.17.065 or 42.17.080
(as recodified by this act), exceeding ((five hundred)) one thousand

dollars in the aggregate within any three-month period or exceeding ((two)) five hundred dollars in the aggregate within any one-month period in presenting a program ((addressed)) to the public, a substantial portion of which is intended, designed, or calculated primarily to influence legislation shall ((be required to)) register and report, as provided in subsection (2) of this section, as a sponsor of a grass roots lobbying campaign.

8 (2) Within thirty days after becoming a sponsor of a grass roots 9 lobbying campaign, the sponsor shall register by filing with the 10 commission a registration statement, in such detail as the commission 11 shall prescribe, showing:

12 (a) The sponsor's name, address, and business or occupation, and, 13 if the sponsor is not an individual, the names, addresses, and titles 14 of the controlling persons responsible for managing the sponsor's 15 affairs;

(b) The names, addresses, and business or occupation of all persons organizing and managing the campaign, or hired to assist the campaign, including any public relations or advertising firms participating in the campaign, and the terms of compensation for all such persons;

(c) The names and addresses of each person contributing twenty-fivedollars or more to the campaign, and the aggregate amount contributed;

(d) The purpose of the campaign, including the specific legislation, rules, rates, standards, or proposals that are the subject matter of the campaign;

(e) The totals of all expenditures made or incurred to date on 25 26 behalf of the campaign((, which totals shall be)) segregated according 27 to financial category, including but not limited to the following: Advertising, segregated by media, and in the case of large expenditures 28 29 (as provided by rule of the commission), by outlet; contributions; 30 entertainment, including food and refreshments; office expenses salaries and wages paid for staff and 31 including rent and the 32 secretarial assistance, or the proportionate amount ((thereof)) paid or incurred for lobbying campaign activities; consultants; and printing 33 34 and mailing expenses.

35 (3) Every sponsor who has registered under this section shall file 36 monthly reports with the commission((, which reports shall be filed)) 37 by the tenth day of the month for the activity during the preceding 38 month. The reports shall update the information contained in the sponsor's registration statement and in prior reports and shall show contributions received and totals of expenditures made during the month, in the same manner as provided for in the registration statement.

5 (4) When the campaign has been terminated, the sponsor shall file 6 a notice of termination with the final monthly report((, which 7 notice)). The final report shall state the totals of all contributions 8 and expenditures made on behalf of the campaign, in the same manner as 9 provided for in the registration statement.

10 **Sec. 810.** RCW 42.17.210 and 1973 c 1 s 21 are each amended to read 11 as follows:

12 If any person registered or required to be registered as a lobbyist 13 ((under this chapter employs)), or ((if)) any employer of any person registered or required to be registered as a lobbyist ((under this 14 15 chapter)), employs ((any)) a member or an employee of the legislature, 16 ((or any)) <u>a</u> member of ((any)) <u>a</u> state board or commission, ((or any 17 employee of the legislature,)) or ((any)) a full-time state employee, 18 ((if such)) and that new employee ((shall)) remains in the partial 19 employ of the state ((or any agency thereof, then)), the new employer 20 ((shall)) must file within fifteen days after employment a statement 21 ((under oath)) with the commission, signed under oath, setting out the 22 nature of the employment, the name of the person ((to be paid 23 thereunder)) employed, and the amount of pay or consideration ((to be paid thereunder. The statement shall be filed within fifteen days 24 25 after the commencement of such employment)).

26 **Sec. 811.** RCW 42.17.220 and 1973 c 1 s 22 are each amended to read 27 as follows:

It ((shall be)) is a violation of this chapter for any person to employ for pay or any consideration, or pay or agree to pay any consideration to, a person to lobby who is not registered under this chapter except upon the condition that such a person <u>must</u> register as a lobbyist as provided by this chapter((, and such person does in fact so register as soon as practicable)).

34 **Sec. 812.** RCW 42.17.230 and 1987 c 201 s 2 are each amended to 35 read as follows:

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1 (1) A person required to register as a lobbyist under ((this 2 chapter shall also have the following obligations, the violation of 3 which shall constitute cause for revocation of his registration, and 4 may subject such person, and such person's employer, if such employer 5 aids, abets, ratifies, or confirms any such act, to other civil 6 liabilities, as provided by this chapter:

7 (1) Such persons shall obtain and preserve all)) RCW 42.17.150 (as 8 recodified by this act) shall substantiate financial reports required to be made under this chapter with accounts, bills, receipts, books, 9 10 papers, and other necessary documents ((necessary to substantiate the financial reports required to be made under this chapter)). All such 11 12 documents must be obtained and preserved for a period of at least five 13 years from the date of ((the)) filing ((of)) the statement containing 14 such items((, which accounts, bills, receipts, books, papers, and 15 documents)) and shall be made available for inspection by the commission at any time((: PROVIDED, That if a lobbyist is required 16 17 under)). If the terms of ((his)) the lobbyist's employment contract ((to turn any)) require that these records be turned over to his or her 18 19 employer, responsibility for the preservation and inspection of 20 ((such)) these records under this subsection shall ((rest)) be with 21 such employer.

(2) ((In addition,)) <u>A</u> person required to register as a lobbyist
 <u>under RCW 42.17.150 (as recodified by this act)</u> shall not:

(a) Engage in any <u>lobbying</u> activity ((as a lobbyist)) before
 registering as ((such)) <u>a lobbyist</u>;

(b) Knowingly deceive or attempt to deceive ((any)) <u>a</u> legislator
 ((as to any fact)) regarding the facts pertaining to any pending or
 proposed legislation;

(c) Cause or influence the introduction of ((any)) <u>a</u> bill or amendment ((thereto)) <u>to that bill</u> for the purpose of ((thereafter)) <u>later</u> being employed to secure its defeat;

(d) Knowingly represent an interest adverse to ((any of)) his or her employer((s)) without ((first)) full disclosure of the adverse interest to the employer and obtaining ((such)) the employer's written consent ((thereto after full disclosure to such employer of such adverse interest));

37 (e) Exercise any undue influence, extortion, or unlawful

1 retaliation upon any legislator ((by reason of such)) due to the 2 legislator's position ((with respect to, or his vote upon,)) or vote on 3 any pending or proposed legislation;

4 (f) Enter into any agreement, arrangement, or understanding 5 ((according to which his or her)) in which any portion of his or her 6 compensation((, or any portion thereof,)) is or will be contingent upon 7 ((the)) <u>his or her</u> success ((of any attempt to influence)) in 8 influencing legislation.

9 (3) A violation by a lobbyist of this section shall be cause for 10 revocation of his or her registration, and may subject the lobbyist and 11 the lobbyist's employer, if the employer aids, abets, ratifies, or 12 confirms the violation, to other civil liabilities as provided by this 13 chapter.

PART 9

PERSONAL FINANCIAL AFFAIRS REPORTING

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14

BY CANDIDATES AND PUBLIC OFFICIALS

17 **Sec. 901.** RCW 42.17.240 and 1995 c 397 s 8 are each amended to 18 read as follows:

19 (1) After January 1st and before April 15th of each year, every 20 elected official and every executive state officer shall ((after January 1st and before April 15th of each year)) file with the 21 22 commission a statement of financial affairs for the preceding calendar However, any local elected official whose term of office 23 year. 24 ((expires immediately after)) ends on December 31st shall file the 25 statement required to be filed by this section for the final year ((that ended on that December 31st)) of his or her term. 26

(2) <u>Within two weeks of becoming a candidate, every candidate shall</u>
 ((within two weeks of becoming a candidate)) file with the commission
 a statement of financial affairs for the preceding twelve months.

30 (3) <u>Within two weeks of appointment, every person appointed to a</u> 31 vacancy in an elective office or executive state officer position shall 32 ((within two weeks of being so appointed)) file with the commission a 33 statement of financial affairs for the preceding twelve months.

(4) A statement of a candidate or appointee filed during the period
 from January 1st to April 15th shall cover the period from January 1st
 of the preceding calendar year to the time of candidacy or appointment

1 if the filing of the statement would relieve the individual of a prior 2 obligation to file a statement covering the entire preceding calendar 3 year.

4 (5) No individual may be required to file more than once in any 5 calendar year.

6 (6) Each statement of financial affairs filed under this section7 shall be sworn as to its truth and accuracy.

8 (7) Every elected official and every executive state officer shall 9 file with their statement of financial affairs a statement certifying 10 that they have read and are familiar with RCW 42.17.130 <u>(as recodified</u> 11 <u>by this act)</u> or 42.52.180, whichever is applicable.

12 (8) For the purposes of this section, the term "executive state 13 officer" includes those listed in RCW 42.17.2401.

(9) This section does not apply to incumbents or candidates for afederal office or the office of precinct committee officer.

16 Sec. 902. RCW 42.17.2401 and 2007 c 341 s 48, 2007 c 241 s 2, and 17 2007 c 15 s 1 are each reenacted and amended to read as follows:

For the purposes of RCW 42.17.240 (as recodified by this act), ((the term)) "executive state officer" includes:

20 The chief administrative law judge, the director (1)of 21 agriculture, ((the administrator of the Washington basic health plan,)) 22 the director of the department of services for the blind, the director of the state system of community and technical colleges, the director 23 24 of community, trade, and economic development, the secretary of 25 corrections, the director of early learning, the director of ecology, 26 the commissioner of employment security, the chair of the energy facility site evaluation council, the secretary of the state finance 27 committee, the director of financial management, the director of fish 28 29 and wildlife, the executive secretary of the forest practices appeals 30 board, the director of the gambling commission, the director of general 31 administration, the secretary of health, the administrator of the 32 Washington state health care authority, the executive secretary of the 33 health care facilities authority, the executive secretary of the higher 34 education facilities authority, the executive secretary of the horse 35 racing commission, the executive secretary of the human rights 36 commission, the executive secretary of the indeterminate sentence 37 review board, the director of the department of information services,

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the executive director of the state investment board, the director of 1 2 labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's 3 4 business enterprises, the director of parks and recreation, the director of personnel, the executive director of the public disclosure 5 6 commission, the executive director of the Puget Sound partnership, the 7 director of the recreation and conservation office, the director of 8 retirement systems, the director of revenue, the secretary of social 9 and health services, the chief of the Washington state patrol, the 10 executive secretary of the board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation 11 12 commission, the director of veterans affairs, the president of each of 13 the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each 14 state community college; 15

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(2) Each professional staff member of the office of the governor;

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(3) Each professional staff member of the legislature; and

(4) Central Washington University board of trustees, the boards of 18 19 trustees of each community college and each technical college, each member of the state board for community and technical colleges, state 20 21 convention and trade center board of directors, ((committee for 22 deferred compensation,)) Eastern Washington University board of 23 Washington economic development finance authority, trustees, The 24 Evergreen State College board of trustees, executive ethics board, forest practices appeals board, forest practices board, gambling 25 26 commission, life sciences discovery fund authority board of trustees, 27 Washington health care facilities authority, ((each member of the 28 Washington health services commission,)) higher education coordinating 29 board, higher education facilities authority, horse racing commission, 30 finance commission, state housing human rights commission, indeterminate sentence review board, board of industrial insurance 31 appeals, information services board, ((recreation and conservation 32 funding board,)) state investment board, commission on judicial 33 conduct, legislative ethics board, liquor control board, lottery 34 commission, ((marine oversight board,)) Pacific Northwest electric 35 36 and conservation planning council, parks and recreation power 37 commission, board of pilotage commissioners, pollution control hearings board, public disclosure commission, ((public pension commission,)) 38

shorelines ((hearing[s])) hearings board, public employees' benefits 1 board, recreation and conservation funding board, salmon recovery 2 funding board, board of tax appeals, transportation commission, 3 4 University of Washington board of regents, utilities and transportation commission, ((Washington state maritime commission,)) Washington 5 б personnel resources board, Washington ((public power supply system)) 7 energy northwest executive board, Washington State University board of 8 regents, Western Washington University board of trustees, and fish and 9 wildlife commission.

10 **Sec. 903.** RCW 42.17.241 and 2008 c 6 s 202 are each amended to 11 read as follows:

12 (1) The statement of financial affairs required by RCW 42.17.240 13 (as recodified by this act) shall disclose the following information 14 for the reporting individual and each member of his or her immediate 15 family:

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(a) Occupation, name of employer, and business address; ((and))

(b) Each bank ((or)) account, savings account ((or)), and insurance 17 policy in which ((any such person or persons owned)) a direct financial 18 interest ((that exceeded five)) was held that exceeds twenty thousand 19 20 dollars at any time during the reporting period; each other item of 21 intangible personal property in which ((any such person or persons 22 owned)) a direct financial interest((, the value of which exceeded five 23 hundred)) was held that exceeds two thousand dollars during the reporting period; the name, address, and nature of the entity; and the 24 25 nature and highest value of each ((such)) direct financial interest 26 during the reporting period; ((and))

(c) The name and address of each creditor to whom the value of 27 ((five hundred)) two thousand dollars or more was owed; the original 28 29 amount of each debt to each ((such)) creditor; the amount of each debt 30 owed to each creditor as of the date of filing; the terms of repayment 31 of each ((such)) debt; and the security given, if any, for each such debt((: PROVIDED, That)). Debts arising ((out of)) from a "retail 32 installment transaction" as defined in chapter 63.14 RCW (retail 33 34 installment sales act) need not be reported; ((and))

35 (d) Every public or private office, directorship, and position held 36 as trustee; ((and))

(e) All persons for whom any legislation, rule, rate, or standard 1 has been prepared, promoted, or opposed for current or deferred 2 compensation((: <u>PROVIDED</u>, <u>That</u>)). <u>F</u>or the purposes of 3 this 4 subsection, "compensation" does not include payments made to the person reporting by the governmental entity for which ((such)) the person 5 as an elected official or state executive officer 6 serves or professional staff member for his or her service in office; the 7 8 description of such actual or proposed legislation, rules, rates, or 9 standards; and the amount of current or deferred compensation paid or 10 promised to be paid; ((and))

(f) The name and address of each governmental entity, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from whom compensation has been received in any form of a total value of ((five hundred)) two thousand dollars or more; the value of the compensation; and the consideration given or performed in exchange for the compensation; ((and))

17 (g) The name of any corporation, partnership, joint venture, 18 association, union, or other entity in which is held any office, 19 directorship, or any general partnership interest, or an ownership interest of ten percent or more; the name or title of that office, 20 21 directorship, or partnership; the nature of ownership interest; and 22 ((with respect to each such entity)): (i) With respect to a 23 governmental unit in which the official seeks or holds any office or position, if the entity has received compensation in any form during 24 25 the preceding twelve months from the governmental unit, the value of 26 the compensation and the consideration given or performed in exchange for the compensation; and (ii) the name of each governmental unit, 27 partnership, 28 corporation, joint venture, sole proprietorship, 29 association, union, or other business or commercial entity from which 30 the entity has received compensation in any form in the amount of ((two thousand five hundred)) ten thousand dollars or more during the 31 32 preceding twelve months and the consideration given or performed in exchange for the compensation((: PROVIDED, That the term)). As used 33 in (g)(ii) of this subsection, "compensation" ((for purposes of this 34 35 subsection (1)(g)(ii))) does not include payment for water and other 36 utility services at rates approved by the Washington state utilities 37 and transportation commission or the legislative authority of the public entity providing the service((+ PROVIDED, FURTHER, That)). 38

<u>W</u>ith respect to any bank or commercial lending institution in which is 1 held any office, directorship, partnership interest, or ownership 2 3 interest, it shall only be necessary to report either the name, 4 address, and occupation of every director and officer of the bank or commercial lending institution and the average monthly balance of each 5 account held during the preceding twelve months by the bank or 6 7 commercial lending institution from the governmental entity for which 8 the individual is an official or candidate or professional staff member, or all interest paid by a borrower on loans from and all 9 10 interest paid to a depositor by the bank or commercial lending institution if the interest exceeds ((six)) two thousand four hundred 11 12 dollars; ((and))

(h) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of Washington, the assessed valuation of which exceeds ((two thousand five hundred)) ten thousand dollars in which any direct financial interest was acquired during the preceding calendar year, and a statement of the amount and nature of the financial interest and of the consideration given in exchange for that interest; ((and))

20 (i) A list, including legal or other sufficient descriptions as 21 prescribed by the commission, of all real property in the state of 22 Washington, the assessed valuation of which exceeds ((two thousand five 23 hundred)) ten thousand dollars in which any direct financial interest 24 was divested during the preceding calendar year, and a statement of the amount and nature of the consideration received in exchange for that 25 26 interest, and the name and address of the person furnishing the 27 consideration; ((and))

(j) A list, including legal or other sufficient descriptions as 28 prescribed by the commission, of all real property in the state of 29 30 Washington, the assessed valuation of which exceeds ((two thousand five hundred)) ten thousand dollars in which a direct financial interest was 31 held((: PROVIDED, That)). If a description of the property has been 32 included in a report previously filed, the property may be listed, for 33 purposes of this ((provision)) subsection (1)(j), by reference to the 34 35 previously filed report; ((and))

36 (k) A list, including legal or other sufficient descriptions as 37 prescribed by the commission, of all real property in the state of 38 Washington, the assessed valuation of which exceeds ((five)) twenty 1 thousand dollars, in which a corporation, partnership, firm, 2 enterprise, or other entity had a direct financial interest, in which 3 corporation, partnership, firm, or enterprise a ten percent or greater 4 ownership interest was held; ((and))

5 (1) A list of each occasion, specifying date, donor, and amount, at 6 which food and beverage in excess of fifty dollars was accepted under 7 RCW 42.52.150(5); ((and))

8 (m) A list of each occasion, specifying date, donor, and amount, at 9 which items specified in RCW 42.52.010(10) (d) and (f) were accepted; 10 and

(n) Such other information as the commission may deem necessary in
 order to properly carry out the purposes and policies of this chapter,
 as the commission shall prescribe by rule.

14 (2) Where an amount is required to be reported under subsection (1)(a) through (m) of this section, it shall be sufficient to comply 15 16 with the requirement to report whether the amount is less than ((one)) 17 four thousand dollars, at least ((one)) four thousand dollars but less 18 than ((five)) twenty thousand dollars, at least ((five)) twenty thousand dollars but less than ((ten)) forty thousand dollars, at least 19 ((ten)) forty thousand dollars but less than ((twenty-five)) one 20 21 hundred thousand dollars, or ((twenty-five)) one hundred thousand 22 dollars or more. An amount of stock may be reported by number of 23 shares instead of by market value. No provision of this subsection may 24 be interpreted to prevent any person from filing more information or 25 more detailed information than required.

(3) Items of value given to an official's or employee's spouse, domestic partner, or family member are attributable to the official or employee, except the item is not attributable if an independent business, family, or social relationship exists between the donor and the spouse, domestic partner, or family member.

31 **Sec. 904.** RCW 42.17.242 and 1977 ex.s. c 336 s 4 are each amended 32 to read as follows:

No payment shall be made to any person required to report under RCW 42.17.240 (as recodified by this act) and no payment shall be accepted by any such person, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or other person in such a manner as to conceal the identity of the source of the payment or in any other manner so as to effect concealment ((except that)). The commission may issue categorical and specific exemptions to the reporting of the actual source when there is an undisclosed principal for recognized legitimate business purposes.

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PART 10

ENFORCEMENT

7 **Sec. 1001.** RCW 42.17.390 and 2006 c 315 s 2 are each amended to 8 read as follows:

9 One or more of the following civil remedies and sanctions may be 10 imposed by court order in addition to any other remedies provided by 11 law:

12 (1) If the court finds that the violation of any provision of this chapter by any candidate or political committee probably affected the 13 outcome of any election, the result of ((said)) that election may be 14 15 held void and a special election held within sixty days of ((such)) the 16 finding. Any action to void an election shall be commenced within one 17 year of the date of the election in question. It is intended that this remedy be imposed freely in all appropriate cases to protect the right 18 19 of the electorate to an informed and knowledgeable vote.

20 (2) If any lobbyist or sponsor of any grass roots lobbying campaign 21 violates any of the provisions of this chapter, his or her registration 22 may be revoked or suspended and he or she may be enjoined from 23 receiving compensation or making expenditures for lobbying((+ 24 PROVIDED, HOWEVER, That)). The imposition of ((such)) a sanction shall 25 not excuse ((said)) the lobbyist from filing statements and reports 26 required by this chapter.

(3) ((Any)) <u>A</u> person who violates any of the provisions of this chapter may be subject to a civil penalty of not more than ten thousand dollars for each ((such)) violation. However, a person or entity who violates RCW 42.17.640 (as recodified by this act) may be subject to a civil penalty of ten thousand dollars or three times the amount of the contribution illegally made or accepted, whichever is greater.

33 (4) ((Any)) <u>A</u> person who fails to file a properly completed 34 statement or report within the time required by this chapter may be 35 subject to a civil penalty of ten dollars per day for each day each 36 ((such)) delinquency continues. (5) ((Any)) <u>A</u> person who fails to report a contribution or
 expenditure as required by this chapter may be subject to a civil
 penalty equivalent to the amount not reported as required.

4 (6) The court may enjoin any person to prevent the doing of any act
5 herein prohibited, or to compel the performance of any act required
6 herein.

7 **Sec. 1002.** RCW 42.17.395 and 2006 c 315 s 3 are each amended to 8 read as follows:

9 (1) The commission may (a) determine whether an actual violation of 10 this chapter has occurred; and (b) issue and enforce an appropriate 11 order following such <u>a</u> determination.

12 (2) The commission, in cases where it chooses to determine whether 13 an actual violation has occurred, shall hold a hearing pursuant to the 14 <u>administrative procedure act</u>, chapter 34.05 RCW, to make ((such)) <u>a</u> 15 determination. Any order that the commission issues under this section 16 shall be pursuant to such <u>a</u> hearing.

17 (3) In lieu of holding a hearing or issuing an order under this 18 section, the commission may refer the matter to the attorney general or 19 other enforcement agency as provided in RCW 42.17.360 (as recodified by 20 this act).

21 (4) The person against whom an order is directed under this section shall be designated as the respondent. The order may require the 22 23 respondent to cease and desist from the activity that constitutes a 24 violation and in addition, or alternatively, may impose one or more of 25 the remedies provided in RCW 42.17.390 (2) through (5) (as recodified 26 by this act). No individual penalty assessed by the commission may 27 exceed one thousand seven hundred dollars, and in any case where multiple violations are involved in a single complaint or hearing, the 28 29 maximum aggregate penalty may not exceed four thousand two hundred dollars. 30

31 (5) An order issued by the commission under this section shall be 32 subject to judicial review under the <u>a</u>dministrative <u>procedure act</u>, 33 chapter 34.05 RCW. If the commission's order is not satisfied and no 34 petition for review is filed within thirty days ((as provided in RCW 35 34.05.542)), the commission may petition a court of competent 36 jurisdiction of any county in which a petition for review could be

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1 filed under that section, for an order of enforcement. Proceedings in 2 connection with the commission's petition shall be in accordance with 3 RCW 42.17.397 (as recodified by this act).

4 **Sec. 1003.** RCW 42.17.397 and 1989 c 175 s 92 are each amended to 5 read as follows:

6 The following procedure shall apply in all cases where the 7 commission has petitioned a court of competent jurisdiction for 8 enforcement of any order it has issued pursuant to this chapter:

9 (1) A copy of the petition shall be served by certified mail 10 directed to the respondent at his <u>or her</u> last known address. The court 11 shall issue an order directing the respondent to appear at a time 12 designated in the order, not less than five days from the date thereof, 13 and show cause why the commission's order should not be enforced 14 according to its terms.

15 (2) The commission's order shall be enforced by the court if the 16 respondent does not appear, or if the respondent appears and the court 17 finds, pursuant to a hearing held for that purpose:

18

(a) That the commission's order is unsatisfied; ((and))

19 (b) That the order is regular on its face; and

(c) That the respondent's answer discloses no valid reason why the commission's order should not be enforced or that the respondent had an appropriate remedy by review under RCW 34.05.570(3) and failed to avail himself <u>or herself</u> of that remedy without valid excuse.

(3) Upon appropriate application by the respondent, the court may, after hearing and for good cause, alter, amend, revise, suspend, or postpone all or part of the commission's order. In any case where the order is not enforced by the court according to its terms, the reasons for the court's actions shall be clearly stated in writing, and ((such)) the action shall be subject to review by the appellate courts by certiorari or other appropriate proceeding.

31 (4) The court's order of enforcement, when entered, shall have the 32 same force and effect as a civil judgment.

(5) Notwithstanding RCW 34.05.578 through 34.05.590, this section
 is the exclusive method for enforcing an order of the commission.

35 **Sec. 1004.** RCW 42.17.400 and 2007 c 455 s 1 are each amended to 36 read as follows: 1 (1) The attorney general and the prosecuting authorities of 2 political subdivisions of this state may bring civil actions in the 3 name of the state for any appropriate civil remedy, including but not 4 limited to the special remedies provided in RCW 42.17.390 (as 5 recodified by this act).

6 (2) The attorney general and the prosecuting authorities of political subdivisions of this state may investigate or cause to be 7 8 investigated the activities of any person who there is reason to 9 believe is or has been acting in violation of this chapter, and may 10 require any such person or any other person reasonably believed to have 11 information concerning the activities of such person to appear at a 12 time and place designated in the county in which such person resides or 13 is found, to give such information under oath and to produce all 14 accounts, bills, receipts, books, paper and documents which may be 15 relevant or material to any investigation authorized under this 16 chapter.

17 (3) When the attorney general or the prosecuting authority of any 18 political subdivision of this state requires the attendance of any 19 person to obtain such information or ((the production of)) produce the 20 accounts, bills, receipts, books, papers, and documents ((which)) that 21 may be relevant or material to any investigation authorized under this 22 chapter, he or she shall issue an order setting forth the time when and 23 the place where attendance is required and shall cause the same to be 24 delivered to or sent by registered mail to the person at least fourteen days before the date fixed for attendance. ((Such)) The order shall 25 26 have the same force and effect as a subpoena, shall be effective 27 statewide, and, upon application of the attorney general or ((said)) the prosecuting authority, obedience to the order may be enforced by 28 29 any superior court judge in the county where the person receiving it 30 resides or is found, in the same manner as though the order were a The court, after hearing, for good cause, and upon 31 subpoena. 32 application of any person aggrieved by the order, shall have the right 33 to alter, amend, revise, suspend, or postpone all or any part of its provisions. In any case where the order is not enforced by the court 34 35 according to its terms, the reasons for the court's actions shall be 36 clearly stated in writing, and ((such)) the action shall be subject to 37 review by the appellate courts by certiorari or other appropriate 38 proceeding.

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1 (4) ((Any)) <u>A</u> person who has notified the attorney general and the 2 prosecuting attorney in the county in which the violation occurred in 3 writing that there is reason to believe that some provision of this 4 chapter is being or has been violated may himself <u>or herself</u> bring in 5 the name of the state any of the actions (hereinafter referred to as a 6 citizen's action) authorized under this chapter.

7

(a) This citizen action may be brought only if:

8 (i) The attorney general and the prosecuting attorney have failed 9 to commence an action hereunder within forty-five days after ((such)) 10 <u>the</u> notice;

(ii) ((Such)) <u>The</u> person has thereafter further notified the attorney general and prosecuting attorney that ((said)) <u>the</u> person will commence a citizen's action within ten days upon their failure ((so)) to do <u>so</u>;

(iii) The attorney general and the prosecuting attorney have in fact failed to bring such action within ten days of receipt of said second notice; and

18 (iv) The citizen's action is filed within two years after the date 19 when the alleged violation occurred.

(b) If the person who brings the citizen's action prevails, the 20 21 judgment awarded shall escheat to the state, but he or she shall be 22 entitled to be reimbursed by the state of Washington for costs and 23 ((attorney's)) attorneys' fees he or she has incurred((: PROVIDED, That)). In the case of a citizen's action ((which)) that is dismissed 24 25 and ((which)) that the court also finds was brought without reasonable 26 cause, the court may order the person commencing the action to pay all 27 costs of trial and reasonable ((attorney's)) attorneys' fees incurred 28 by the defendant.

(5) In any action brought under this section, the court may award 29 30 to the state all costs of investigation and trial, including $\left(\frac{a}{a}\right)$ reasonable ((attorney's)) <u>attorneys'</u> fee<u>s</u> to be fixed by the court. 31 Ιf 32 the violation is found to have been intentional, the amount of the judgment, which shall for this purpose include the costs, may be 33 trebled as punitive damages. If damages or trebled damages are awarded 34 35 in such an action brought against a lobbyist, the judgment may be 36 awarded against the lobbyist, and the lobbyist's employer or employers 37 joined as defendants, jointly, severally, or both. If the defendant

prevails, he <u>or she</u> shall be awarded all costs of trial, and may be awarded ((a)) reasonable ((attorney's)) <u>attorneys'</u> fee<u>s</u> to be fixed by the court to be paid by the state of Washington.

4 **Sec. 1005.** RCW 42.56.010 and 2007 c 197 s 1 are each amended to 5 read as follows:

6 The definitions in this section apply throughout this chapter 7 unless the context clearly requires otherwise.

8 (1) "Agency" includes all state agencies and all local agencies. 9 "State agency" includes every state office, department, division, 10 bureau, board, commission, or other state agency. "Local agency" 11 includes every county, city, town, municipal corporation, quasi-12 municipal corporation, or special purpose district, or any office, 13 department, division, bureau, board, commission, or agency thereof, or 14 other local public agency.

15 (2) "Person in interest" means the person who is the subject of a 16 record or any representative designated by that person, except that if 17 that person is under a legal disability, "person in interest" means and 18 includes the parent or duly appointed legal representative.

(3) "Public record" includes any writing containing information 19 20 relating to the conduct of government or the performance of any 21 governmental or proprietary function prepared, owned, used, or retained 22 state or local agency regardless of physical form or by any 23 characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public 24 25 records means legislative records as defined in RCW 40.14.100 and also 26 means the following: All budget and financial records; personnel 27 leave, travel, and payroll records; records of legislative sessions; reports submitted to the legislature; and any other record designated 28 29 a public record by any official action of the senate or the house of 30 representatives.

31 (((3))) (4) "Writing" means handwriting, typewriting, printing, 32 photostating, photographing, and every other means of recording any 33 form of communication or representation including, but not limited to, 34 letters, words, pictures, sounds, or symbols, or combination thereof, 35 and all papers, maps, magnetic or paper tapes, photographic films and 36 prints, motion picture, film and video recordings, magnetic or punched cards, discs, drums, diskettes, sound recordings, and other documents
 including existing data compilations from which information may be
 obtained or translated.

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PART 11 MISCELLANEOUS PROVISIONS

6 <u>NEW SECTION.</u> Sec. 1101. When RCW 42.17.020 (as recodified by this 7 act) is codified, the code reviser shall alphabetize and renumber the 8 definitions.

9 <u>NEW SECTION.</u> Sec. 1102. When RCW 42.17.2401 (as recodified by 10 this act) is codified, the code reviser shall arrange the names of the 11 agencies in each subsection in alphabetical order, arranged according 12 to the first distinctive word of each agency's name.

<u>NEW SECTION.</u> Sec. 1103. PART HEADINGS AND CAPTIONS NOT LAW. Part
 headings and captions used in this act are not any part of the law.

15 <u>NEW SECTION.</u> Sec. 1104. The following sections are recodified as 16 a new chapter in Title 42 RCW, to be codified as chapter 42.17A RCW, in 17 the following order with the following subchapter headings:

- 18 GENERAL PROVISIONS
- 19 RCW 42.17.010
- 20 RCW 42.17.020
- 21 RCW 42.17.035
- 22 RCW 42.17.440
- 23 ELECTRONIC ACCESS
- 24 RCW 42.17.367
- 25 RCW 42.17.369
- 26 RCW 42.17.460
- 27 RCW 42.17.461
- 28 RCW 42.17.463
- 29 ADMINISTRATION
- 30 RCW 42.17.350
- 31 RCW 42.17.360
- 32 RCW 42.17.370
- 33 Section 304 of this act

1	RCW 42.17.690
2	RCW 42.17.380
3	RCW 42.17.405
4	RCW 42.17.420
5	RCW 42.17.430
6	RCW 42.17.450
7	CAMPAIGN FINANCE REPORTING
8	RCW 42.17.030
9	RCW 42.17.040
10	RCW 42.17.050
11	Section 404 of this act
12	RCW 42.17.060
13	RCW 42.17.065
14	RCW 42.17.067
15	RCW 42.17.080
16	RCW 42.17.090
17	RCW 42.17.3691
18	RCW 42.17.093
19	RCW 42.17.100
20	RCW 42.17.103
21	RCW 42.17.105
22	RCW 42.17.550
23	RCW 42.17.135
24	POLITICAL ADVERTISING AND ELECTIONEERING COMMUNICATIONS
25	RCW 42.17.561
26	RCW 42.17.565
27	RCW 42.17.570
28	RCW 42.17.575
29	RCW 42.17.510
30	RCW 42.17.520
31	RCW 42.17.530
32	RCW 42.17.540
33	RCW 42.17.110
34	CAMPAIGN CONTRIBUTION LIMITS AND OTHER RESTRICTIONS
35	RCW 42.17.610
36	RCW 42.17.640
37	RCW 42.17.645
38	RCW 42.17.700

1	Section 604 of this act
2	RCW 42.17.070
3	RCW 42.17.095
4	RCW 42.17.120
5	Section 607 of this act
б	RCW 42.17.125
7	RCW 42.17.650
8	RCW 42.17.660
9	RCW 42.17.670
10	RCW 42.17.720
11	RCW 42.17.730
12	RCW 42.17.740
13	RCW 42.17.770
14	RCW 42.17.780
15	RCW 42.17.790
16	RCW 42.17.680
17	RCW 42.17.760
18	PUBLIC OFFICIALS, EMPLOYEES, AND AGENCIES CAMPAIGN RESTRICTIONS AND
19	PROHIBITIONSREPORTING
20	RCW 42.17.128
21	
	RCW 42.17.130
22	RCW 42.17.130 RCW 42.17.710
22	RCW 42.17.710
22 23	RCW 42.17.710 RCW 42.17.750
22 23 24	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245
22 23 24 25	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS
22 23 24 25 26	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150
22 23 24 25 26 27	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155
22 23 24 25 26 27 28	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160
22 23 24 25 26 27 28 29	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170
22 23 24 25 26 27 28 29 30	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.172
22 23 24 25 26 27 28 29 30 31	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.172
22 23 24 25 26 27 28 29 30 31 32	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.172 RCW 42.17.175
22 23 24 25 26 27 28 29 30 31 32 33	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.175 RCW 42.17.175 RCW 42.17.180 RCW 42.17.180
22 23 24 25 26 27 28 29 30 31 32 33 34	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.172 RCW 42.17.175 RCW 42.17.180 RCW 42.17.180 RCW 42.17.190
22 23 24 25 26 27 28 29 30 31 32 33 34 35	RCW 42.17.710 RCW 42.17.750 RCW 42.17.245 LOBBYING DISCLOSURE AND RESTRICTIONS RCW 42.17.150 RCW 42.17.155 RCW 42.17.160 RCW 42.17.170 RCW 42.17.172 RCW 42.17.175 RCW 42.17.180 RCW 42.17.180 RCW 42.17.200 RCW 42.17.210

1 RCW 42.17.240 2 RCW 42.17.2401 RCW 42.17.241 3 4 RCW 42.17.242 5 ENFORCEMENT б RCW 42.17.390 7 RCW 42.17.395 8 RCW 42.17.397 9 RCW 42.17.400 10 RCW 42.17.410 11 TECHNICAL PROVISIONS 12 RCW 42.17.900 13 RCW 42.17.910 14 RCW 42.17.911 RCW 42.17.912 15 RCW 42.17.920 16 17 RCW 42.17.930 RCW 42.17.940 18 19 RCW 42.17.945 RCW 42.17.950 20 21 RCW 42.17.955 22 RCW 42.17.960 23 RCW 42.17.961 RCW 42.17.962 24 25 RCW 42.17.963 26 RCW 42.17.964 27 RCW 42.17.965 28 RCW 42.17.966

Sec. 1105. The following acts or parts of acts are 29 NEW SECTION. 30 each repealed: 31 (1) RCW 42.17.131 (Exemption from RCW 42.17.130) and 1994 c 154 s 32 317; (2) RCW 42.17.362 (Toll-free telephone number) and 2000 c 237 s 6; 33 (3) RCW 42.17.365 (Audits and investigations) and 1999 c 401 s 8 & 34 35 1993 c 2 s 29; 36 (4) RCW 42.17.375 (Reports filed with county elections official--37 Rules governing) and 1983 c 294 s 1;

(5) RCW 42.17.465 (Information technology plan--Contents) and 1999 1 2 c 401 s 4; (6) RCW 42.17.467 (Information technology plan--Consultation) and 3 1999 c 401 s 5; 4 (7) RCW 42.17.469 (Information technology plan--Submission) and 5 б 1999 c 401 s 6; (8) RCW 42.17.471 (Access performance reports) and 1999 c 401 s 7; 7 (9) RCW 42.17.562 (Intent) and 2005 c 445 s 2; 8 (10) RCW 42.17.620 (Intent) and 1993 c 2 s 2; and 9 (11) RCW 42.17.647 (Rules) and 2006 c 348 s 3. 10 11 NEW SECTION. Sec. 1106. This act takes effect January 1, 2011.

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