CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 2016

Chapter 204, Laws of 2010

(partial veto)

61st Legislature 2010 Regular Session

CAMPAIGN DISCLOSURE AND CONTRIBUTION LAWS

EFFECTIVE DATE: 01/01/12 - Except sections 505, 602, and 703, which become effective 03/25/10.

Passed by the House March 6, 2010 Yeas 58 Nays 37

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 3, 2010 Yeas 32 Nays 16

BRAD OWEN

President of the Senate

Approved March 25, 2010, 3:12 p.m., with the exception of Sections 309, 412 and 415 which are voted.

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is SECOND SUBSTITUTE HOUSE BILL 2016 passed by the House of as Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

March 26, 2010

CHRISTINE GREGOIRE

Governor of the State of Washington

Secretary of State State of Washington

SECOND SUBSTITUTE HOUSE BILL 2016

AS AMENDED BY THE SENATE

Passed Legislature - 2010 Regular Session

State of Washington 61st Legislature 2010 Regular Session

By House State Government & Tribal Affairs (originally sponsored by Representatives Flannigan, Appleton, Hurst, Miloscia, and Hunt)

READ FIRST TIME 02/02/10.

AN ACT	Relating t	o campaign	contribution	and disclo	sure laws;
amending RC	CW 42.17.020	, 42.17.367	, 42.17.369,	42.17.461,	42.17.463,
42.17.350,	42.17.360,	42.17.370,	42.17.690,	42.17.380,	42.17.405,
42.17.420,	42.17.450,	42.17.030,	42.17.040,	42.17.050,	42.17.060,
42.17.065,	42.17.067,	42.17.080,	42.17.090,	42.17.3691,	42.17.093,
42.17.100,	42.17.103,	42.17.105,	42.17.550,	42.17.135,	42.17.561,
42.17.565,	42.17.570,	42.17.575,	42.17.510,	42.17.520,	42.17.540,
42.17.110,	42.17.610,	42.17.640,	42.17.645,	42.17.070,	42.17.095,
42.17.125,	42.17.660,	42.17.720,	42.17.740,	42.17.790,	42.17.680,
42.17.130,	42.17.245,	42.17.150,	42.17.155,	42.17.160,	42.17.170,
42.17.172,	42.17.175,	42.17.180,	42.17.190,	42.17.200,	42.17.210,
42.17.220,	42.17.230,	42.17.240,	42.17.241,	42.17.242,	42.17.390,
42.17.395,	42.17.397,	42.17.400,	and 42.56	.010; reen	acting and
14 amending RCW 42.17.2401; adding a new chapter to Title 42 RCW; creating					
new sectio	ns; recodi	fying RCW	42.17.010,	42.17.020,	42.17.035,
42.17.440,	42.17.367,	42.17.369,	42.17.460,	42.17.461,	42.17.463,
42.17.350,	42.17.360,	42.17.370,	42.17.690,	42.17.380,	42.17.405,
42.17.420,	42.17.430,	42.17.450,	42.17.030,	42.17.040,	42.17.050,
42.17.060,	42.17.065,	42.17.067,	42.17.080,	42.17.090,	42.17.3691,
42.17.093,	42.17.100,	42.17.103,	42.17.105,	42.17.550,	42.17.135,
42.17.561,	42.17.565,	42.17.570,	42.17.575,	42.17.510,	42.17.520,
	amending RC 42.17.350, 42.17.420, 42.17.065, 42.17.100, 42.17.565, 42.17.110, 42.17.125, 42.17.125, 42.17.130, 42.17.172, 42.17.220, 42.17.395, amending RC new section 42.17.440, 42.17.350, 42.17.060, 42.17.093,	<pre>amending RCW 42.17.020 42.17.350, 42.17.360, 42.17.420, 42.17.450, 42.17.065, 42.17.067, 42.17.100, 42.17.103, 42.17.565, 42.17.570, 42.17.110, 42.17.610, 42.17.125, 42.17.660, 42.17.130, 42.17.245, 42.17.172, 42.17.245, 42.17.220, 42.17.230, 42.17.395, 42.17.397, amending RCW 42.17.2401 new sections; recodi 42.17.440, 42.17.367, 42.17.350, 42.17.360, 42.17.060, 42.17.065, 42.17.093, 42.17.100,</pre>	amending RCW 42.17.020, 42.17.367 42.17.350, 42.17.360, 42.17.370, 42.17.420, 42.17.450, 42.17.030, 42.17.065, 42.17.067, 42.17.080, 42.17.100, 42.17.103, 42.17.105, 42.17.565, 42.17.570, 42.17.575, 42.17.110, 42.17.610, 42.17.640, 42.17.125, 42.17.660, 42.17.720, 42.17.130, 42.17.245, 42.17.150, 42.17.172, 42.17.175, 42.17.180, 42.17.395, 42.17.397, 42.17.400, amending RCW 42.17.2401; adding a n new sections; recodifying RCW 42.17.350, 42.17.367, 42.17.369, 42.17.420, 42.17.360, 42.17.370, 42.17.060, 42.17.065, 42.17.067, 42.17.093, 42.17.100, 42.17.103,	amending RCW 42.17.020, 42.17.367, 42.17.369, 42.17.350, 42.17.360, 42.17.370, 42.17.690, 42.17.420, 42.17.450, 42.17.030, 42.17.040, 42.17.065, 42.17.067, 42.17.080, 42.17.090, 42.17.100, 42.17.103, 42.17.105, 42.17.550, 42.17.565, 42.17.570, 42.17.575, 42.17.510, 42.17.110, 42.17.610, 42.17.640, 42.17.645, 42.17.125, 42.17.660, 42.17.720, 42.17.740, 42.17.130, 42.17.245, 42.17.150, 42.17.155, 42.17.172, 42.17.175, 42.17.180, 42.17.190, 42.17.395, 42.17.397, 42.17.400, and 42.56 amending RCW 42.17.367, 42.17.369, 42.17.400, 42.17.350, 42.17.367, 42.17.370, 42.17.690, 42.17.420, 42.17.430, 42.17.370, 42.17.690, 42.17.420, 42.17.430, 42.17.450, 42.17.030, 42.17.060, 42.17.065, 42.17.067, 42.17.080, 42.17.093, 42.17.100, 42.17.103, 42.17.105,	42.17.100, 42.17.103, 42.17.105, 42.17.550, 42.17.135, 42.17.565, 42.17.570, 42.17.575, 42.17.510, 42.17.520, 42.17.110, 42.17.610, 42.17.640, 42.17.645, 42.17.070, 42.17.125, 42.17.660, 42.17.720, 42.17.740, 42.17.790, 42.17.130, 42.17.245, 42.17.150, 42.17.155, 42.17.160, 42.17.172, 42.17.175, 42.17.180, 42.17.190, 42.17.200, 42.17.220, 42.17.230, 42.17.240, 42.17.241, 42.17.242, 42.17.395, 42.17.397, 42.17.400, and 42.56.010; reent amending RCW 42.17.2401; adding a new chapter to Title 42 RC new sections; recodifying RCW 42.17.010, 42.17.020, 42.17.400, 42.17.360, 42.17.370, 42.17.690, 42.17.380, 42.17.420, 42.17.430, 42.17.450, 42.17.030, 42.17.040,

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

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

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PART 1 GENERAL PROVISIONS

18 Sec. 101. RCW 42.17.020 and 2008 c 6 s 201 are each amended to 19 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.

31 (3) "Authorized committee" means the political committee authorized 32 by a candidate, or by the public official against whom recall charges 33 have been filed, to accept contributions or make expenditures on behalf 34 of the candidate or public official. 1 (4) "Ballot proposition" means any "measure" as defined by RCW 2 29A.04.091, or any initiative, recall, or referendum proposition 3 proposed to be submitted to the voters of the state or any municipal 4 corporation, political subdivision, or other voting constituency from 5 and after the time when the proposition has been initially filed with 6 the appropriate election officer of that constituency ((prior-to)) 7 before its circulation for signatures.

8 (5) "Benefit" means a commercial, proprietary, financial, economic, 9 or monetary advantage, or the avoidance of a commercial, proprietary, 10 financial, economic, or monetary disadvantage.

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(6) "Bona fide political party" means:

12 (a) An organization that has ((filed-a-valid-certificate-of 13 nomination-with)) been recognized as a minor political party by the 14 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

19 (c) The county central committee or legislative district committee 20 of a major political party. There may be only one legislative district 21 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.

30 (9) "Candidate" means any individual who seeks nomination for 31 election or election to public office. An individual seeks nomination 32 or election when he or she first:

(a) Receives contributions or makes expenditures or reserves space
 or facilities with intent to promote his or her candidacy for office;

35 (b) Announces publicly or files for office;

36 (c) Purchases commercial advertising space or broadcast time to 37 promote his or her candidacy; or

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

3 (10) "Caucus political committee" means a political committee 4 organized and maintained by the members of a major political party in 5 the state senate or state house of representatives.

6 (11) "Commercial advertiser" means any person who sells the service 7 of communicating messages or producing printed material for broadcast 8 or distribution to the general public or segments of the general public 9 whether through the use of newspapers, magazines, television and radio 10 stations, billboard companies, direct mail advertising companies, 11 printing companies, or otherwise.

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

14 (13) "Compensation" unless the context requires a narrower meaning, includes payment in any form for real or personal property or services 15 of any kind((: PROVIDED, That)). For the purpose of compliance with 16 17 RCW 42.17.241 (as recodified by this act), ((the term)) "compensation" ((shall)) does not include per diem allowances or other payments made 18 by a governmental entity to reimburse a public official for expenses 19 incurred while the official is engaged in the official business of the 20 21 governmental entity.

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

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(15)(a) "Contribution" includes:

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

30 (ii) An expenditure made by a person in cooperation, consultation, 31 or concert with, or at the request or suggestion of, a candidate, a 32 political committee, the person or persons named on the candidate's or 33 committee's registration form who direct expenditures on behalf of the 34 candidate or committee, or their agents;

(iii) The financing by a person of the dissemination, distribution,
 or republication, in whole or in part, of broadcast, written, graphic,
 or other form of political advertising or electioneering communication

1 prepared by a candidate, a political committee, or its authorized 2 agent;

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

(b) "Contribution" does not include:

7 (i) Standard interest on money deposited in a political committee's8 account;

9 (ii) Ordinary home hospitality;

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10 (iii) A contribution received by a candidate or political committee 11 that is returned to the contributor within five business days of the 12 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;

18 (v) An internal political communication primarily limited to the 19 members of or contributors to a political party organization or 20 political committee, or to the officers, management staff, or 21 stockholders of a corporation or similar enterprise, or to the members 22 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;

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

(A) A political party or caucus political committee if the person
 paying for the services is the regular employer of the person rendering
 such services; or

1 (B) A candidate or an authorized committee if the person paying for 2 the services is the regular employer of the individual rendering the 3 services and if the services are solely for the purpose of ensuring 4 compliance with state election or public disclosure laws; or

5 (ix) The performance of ministerial functions by a person on behalf 6 of two or more candidates or political committees either as volunteer 7 services defined in (b)(vi) of this subsection or for payment by the 8 candidate or political committee for whom the services are performed as 9 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

16 (C) The person does not disclose, except as required by law, any 17 information regarding a candidate's or committee's plans, projects, 18 activities, or needs, or regarding a candidate's or committee's 19 contributions or expenditures that is not already publicly available 20 from campaign reports filed with the commission, or otherwise engage in 21 activity that constitutes a contribution under (a)(ii) of this 22 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.

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

37 (17) "Election" includes any primary, general, or special election38 for public office and any election in which a ballot proposition is

submitted to the voters((÷ PROVIDED, That)). An election in which the qualifications for voting include other than those requirements set forth in Article VI, section 1 (Amendment 63) of the Constitution of the state of Washington shall not be considered an election for purposes of this chapter.

6 (18) "Election campaign" means any campaign in support of or in 7 opposition to a candidate for election to public office and any 8 campaign in support of, or in opposition to, a ballot proposition.

9 (19) "Election cycle" means the period beginning on the first day 10 of January after the date of the last previous general election for the 11 office that the candidate seeks and ending on December 31st after the 12 next election for the office. In the case of a special election to 13 fill a vacancy in an office, "election cycle" means the period 14 beginning on the day the vacancy occurs and ending on December 31st 15 after the special election.

16 (20) "Electioneering communication" means any broadcast, cable, or 17 satellite television or radio transmission, United States postal 18 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;

36 (b) Advertising for candidate debates or forums when the 37 advertising is paid for by or on behalf of the debate or forum sponsor,

so long as two or more candidates for the same position have been
 invited to participate in the debate or forum;

3 (c) A news item, feature, commentary, or editorial in a regularly4 scheduled news medium that is:

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(i) Of primary interest to the general public;

6 (ii) In a news medium controlled by a person whose business is that 7 news medium; and

8 (iii) Not a medium controlled by a candidate or a political 9 committee;

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(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.

25 (22) "Expenditure" includes a payment, contribution, subscription, 26 distribution, loan, advance, deposit, or gift of money or anything of 27 value, and includes a contract, promise, or agreement, whether or not expenditure. ((The - term)) 28 legally enforceable, to make an "Expenditure" also includes a promise to pay, a payment, or a transfer 29 of anything of value in exchange for goods, services, property, 30 31 facilities, or anything of value for the purpose of assisting, 32 benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For the purposes of 33 this chapter, agreements to make expenditures, contracts, and promises 34 to pay may be reported as estimated obligations until actual payment is 35 made. ((The-term)) "Expenditure" shall not include the partial or 36 37 complete repayment by a candidate or political committee of the

principal of a loan, the receipt of which loan has been properly
 reported.

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

(24) "General election" for the purposes of RCW 42.17.640 (as
recodified by this act) means the election that results in the election
of a person to a state or local office. It does not include a primary.
(25) "Gift((,"-is-as-defined))" has the definition in RCW
42.52.010.

(26) "Immediate family" includes the spouse or domestic partner, 10 dependent children, and other dependent relatives, if living in the 11 12 household. For the purposes of ((RCW 42.17.640 through 42.17.790)) the 13 definition of "intermediary" in this section, "immediate family" means 14 an individual's spouse or domestic partner, and child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, 15 sister, or half sister of the individual and the spouse or the domestic 16 17 partner of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, sister, or half sister 18 19 of the individual's spouse or domestic partner and the spouse or the 20 domestic partner of any such person.

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

23 (28) "Independent expenditure" means an expenditure that has each 24 of the following elements:

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

36 (b) The expenditure pays in whole or in part for political 37 advertising that either specifically names the candidate supported or

opposed, or clearly and beyond any doubt identifies the candidate
 without using the candidate's name; and

3 (c) The expenditure, alone or in conjunction with another 4 expenditure or other expenditures of the same person in support of or 5 opposition to that candidate, has a value of ((five)) <u>eight</u> hundred 6 dollars or more. A series of expenditures, each of which is under 7 ((five)) <u>eight</u> hundred dollars, constitutes one independent expenditure 8 if their cumulative value is ((five)) <u>eight</u> hundred dollars or more.

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

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

(d) A volunteer hosting a fund-raising event at the individual'shome 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.

34 (32) "Lobbyist" includes any person who lobbies either in his or35 her own or another's behalf.

36 (33) "Lobbyist's employer" means the person or persons by whom a 37 lobbyist is employed and all persons by whom he or she is compensated 38 for acting as a lobbyist. (34) "Ministerial functions" means an act or duty carried out as
 part of the duties of an administrative office without exercise of
 personal judgment or discretion.

4 (35) "Participate" means that, with respect to a particular 5 election, an entity:

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(a) Makes either a monetary or in-kind contribution to a candidate;

7 (b) Makes an independent expenditure or electioneering
8 communication in support of or opposition to a candidate;

9 (c) Endorses a candidate ((prior - to)) <u>before</u> contributions 10 ((being)) <u>are</u> made by a subsidiary corporation or local unit with 11 respect to that candidate or that candidate's opponent;

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

16 (e) Directly or indirectly collaborates or consults with a 17 subsidiary corporation or local unit on matters relating to the support 18 of or opposition to a candidate, including, but not limited to, the 19 amount of a contribution, when a contribution should be given, and what 20 assistance, services or independent expenditures, or electioneering 21 communications, if any, will be made or should be made in support of or 22 opposition to a candidate.

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

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

(38))) "Political advertising" includes any advertising displays,
 newspaper ads, billboards, signs, brochures, articles, tabloids,
 flyers, letters, radio or television presentations, or other means of
 mass communication, used for the purpose of appealing, directly or

indirectly, for votes or for financial or other support or opposition
 in any election campaign.

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

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

13 (((41))) <u>(40)</u> "Public office" means any federal, state, judicial, 14 county, city, town, school district, port district, special district, 15 or other state political subdivision elective office.

(((42))) (41) "Public record" ((includes-any-writing-containing) 16 17 information relating to the conduct of government or the performance of any-governmental-or-proprietary-function-prepared,-owned,-used,-or 18 retained by any state or local agency regardless of physical form or 19 characteristics. For the office of the secretary of the senate and the 20 21 office-of-the-chief-clerk-of-the-house-of-representatives,-public records means legislative records as defined in RCW 40.14.100 and also 22 means-the-following: All-budget-and-financial-records; personnel 23 24 leave, travel, and payroll records; records of legislative sessions; 25 reports submitted to the legislature; and any other record designated a public record by any official action of the senate or the house of 26 27 representatives)) has the definition in RCW 42.56.010.

28 (((43))) (42) "Recall campaign" means the period of time beginning 29 on the date of the filing of recall charges under RCW 29A.56.120 and 30 ending thirty days after the recall election.

31 (((44))) (43) "Sponsor of an electioneering communications, 32 independent expenditures, or political advertising" means the person 33 paying for the electioneering communication, independent expenditure, 34 or political advertising. If a person acts as an agent for another or 35 is reimbursed by another for the payment, the original source of the 36 payment is the sponsor.

37

1 member of the state house of representatives or the office of a member 2 of the state senate.

3 (((46))) (45) "State office" means state legislative office or the 4 office of governor, lieutenant governor, secretary of state, attorney 5 general, commissioner of public lands, insurance commissioner, 6 superintendent of public instruction, state auditor, or state 7 treasurer.

8 (((47))) <u>(46)</u> "State official" means a person who holds a state 9 office.

(((48))) (47) "Surplus funds" mean, in the case of a political 10 committee or candidate, the balance of contributions that remain in the 11 possession or control of that committee or candidate subsequent to the 12 13 election for which the contributions were received, and that are in excess of the amount necessary to pay remaining debts incurred by the 14 committee or candidate ((prior)) with respect to that election. In the 15 case of a continuing political committee, "surplus funds" mean those 16 17 contributions remaining in the possession or control of the committee that are in excess of the amount necessary to pay all remaining debts 18 19 when it makes its final report under RCW 42.17.065 (as recodified by 20 this act).

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

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

32 33

PART 2

ELECTRONIC ACCESS

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

36

((By February 1, 2000,)) <u>T</u>he commission shall operate a web site or

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

13 Sec. 202. RCW 42.17.369 and 2000 c 237 s 3 are each amended to 14 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.

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

32 (((1))) The commission shall establish goals that all reports, 33 copies of reports, or copies of the data or information included in 34 reports, filed under RCW 42.17.040, 42.17.065, 42.17.080, 42.17.100, 35 42.17.105, 42.17.150, 42.17.170, 42.17.175, and 42.17.180 <u>(as</u> 36 recodified by this act), that are:

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

6 (b)-Submitted-in-any-format-or-using-any-method-other-than-as 7 described-in-(a)-of-this-subsection,-shall-be-accessible-in-the 8 commission's office within four business days of the actual physical receipt of the report, and not the technical date of filing as provided 9 under RCW 42.17.420, and shall be accessible on the commission's web 10 site within fourteen business days of the actual physical receipt of 11 12 the report, and not the technical date of filing as provided under RCW 13 42.17.420, as specified in rule adopted by the commission.

14 (2) On January 1, 2001, or shortly thereafter, the commission shall 15 revise these goals to reflect that all reports, copies of reports, or 16 copies of the data or information included in reports, filed under RCW 17 42.17.040, -42.17.065, -42.17.080, -42.17.100, -42.17.105, -42.17.150, 18 42.17.170, 42.17.175, and 42.17.180, that are:

19 (a) Submitted using the commission's electronic filing system shall 20 be accessible in the commission's office within two business days of 21 the commission's receipt of the report and on the commission's web site 22 within four business days of the commission's receipt of the report; 23 and

24 (b)-Submitted-in-any-format-or-using-any-method-other-than-as described-in-(a)-of-this-subsection,-shall-be-accessible-in-the 25 26 commission's office within four business days of the actual physical 27 receipt of the report, and not the technical date of filing as provided under-RCW-42.17.420, -and-on-the-commission's-web-site-within-seven 28 business days of the actual physical receipt of the report, and not the 29 technical date of filing as provided under RCW 42.17.420, as specified 30 in rule adopted by the commission. 31

32 (3) On January 1, 2002, or shortly thereafter, the commission shall 33 revise these goals to reflect that all reports, copies of reports, or 34 copies of the data or information included in reports, filed under RCW 35 42.17.040, -42.17.065, -42.17.080, -42.17.100, -42.17.105, -42.17.150, 36 42.17.170, 42.17.175, and 42.17.180, that are:

37 (a))) (1) Submitted using the commission's electronic filing system

1 must be accessible in the commission's office and on the commission's 2 web site within two business days of the commission's receipt of the 3 report; and

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

11 **Sec. 204.** RCW 42.17.463 and 1999 c 401 s 3 are each amended to 12 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;

(3) The average number of days that elapse between the commission's receipt of reports filed under RCW 42.17.150, 42.17.170, 42.17.175, and 42.17.180 (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;

35 (4) The percentage of candidates, categorized as statewide, 36 ((state)) legislative, or local, that have used each of the following 37 methods to file reports under RCW 42.17.080 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;))

5 (5) The percentage of continuing political committees that have 6 used each of the following methods to file reports under RCW 42.17.065 7 or 42.17.105 (as recodified by this act): (a) Hard copy paper format; 8 (((b) electronic format via diskette; (c) electronic format via modem 9 or satellite; (d))) or (b) electronic format via the Internet; ((and 10 (e) any other format or method;)) and

(6) The percentage of lobbyists and lobbyists' employers that have used each of the following methods to file reports under RCW 42.17.150, 42.17.170, 42.17.175, or 42.17.180 (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)).

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PART 3

ADMINISTRATION

19 Sec. 301. RCW 42.17.350 and 1998 c 30 s 1 are each amended to read 20 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.

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

34 (a) Holding or campaigning for elective office;

35 (b) Serving as an officer of any political party or political 36 committee;

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

3 (d) Soliciting or making contributions to a candidate or in support4 of or in opposition to any candidate or proposition;

5

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

6 (f) Lobbying, employing, or assisting a lobbyist, except that a 7 member or the staff of the commission may lobby to the limited extent 8 permitted by RCW 42.17.190 (as recodified by this act) on matters 9 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.

18 (6) Members shall be compensated in accordance with RCW 43.03.250 19 and ((in addition)) shall be reimbursed for travel expenses incurred 20 while engaged in the business of the commission as provided in RCW 21 43.03.050 and 43.03.060. The compensation provided pursuant to this 22 section shall not be considered salary for purposes of the provisions 23 of any retirement system created ((pursuant to)) under the ((general)) 24 laws of this state.

25 **Sec. 302.** RCW 42.17.360 and 1973 c 1 s 36 are each amended to read 26 as follows:

27 The commission shall:

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

30 (2) Prepare and publish a manual setting forth recommended uniform 31 methods of bookkeeping and reporting for use by persons required to 32 make reports and statements under this chapter;

33 (3) Compile and maintain a current list of all filed reports and 34 statements;

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

1 (5) Upon complaint or upon its own motion, investigate and report 2 apparent violations of this chapter to the appropriate law enforcement 3 authorities;

(6) Conduct a sufficient number of audits and field investigations 4 to provide a statistically valid finding regarding the degree of 5 compliance with the provisions of this chapter by all required filers. 6 7 Any documents, records, reports, computer files, papers, or materials provided to the commission for use in conducting audits and 8 investigations must be returned to the candidate, campaign, or 9 political committee from which they were received within one week of 10 the commission's completion of an audit or field investigation; 11

12 <u>(7)</u> Prepare and publish an annual report to the governor as to the 13 effectiveness of this chapter and its enforcement by appropriate law 14 enforcement authorities; ((and

15 (7)) (8) Enforce this chapter according to the powers granted it 16 by law;

17 (9) Adopt rules governing the arrangement, handling, indexing, and 18 disclosing of those reports required by this chapter to be filed with 19 a county auditor or county elections official. The rules shall:

(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;

25 (10) Adopt rules to carry out the policies of chapter 348, Laws of 26 2006. The adoption of these rules is not subject to the time 27 restrictions of RCW 42.17.370(1) (as recodified by this act);

28 (11) Adopt administrative rules establishing requirements for filer 29 participation in any system designed and implemented by the commission 30 for the electronic filing of reports; and

31 (12) <u>Maintain and make available to the public and political</u> 32 <u>committees of this state a toll-free telephone number</u>.

33 **Sec. 303.** RCW 42.17.370 and 1995 c 397 s 17 are each amended to 34 read as follows:

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

20

36 (1) Adopt, ((promulgate,)) amend, and rescind suitable 37 administrative rules to carry out the policies and purposes of this

1 chapter, which rules shall be adopted under chapter 34.05 RCW. Any 2 rule relating to campaign finance, political advertising, or related 3 forms that would otherwise take effect after June 30th of a general 4 election year shall take effect no earlier than the day following the 5 general election in that year;

(2) Appoint <u>an executive director</u> and set, within the limits 6 7 established by the state committee on agency officials' salaries under RCW 43.03.028, the executive director's compensation ((of an executive 8 director who)). The executive director shall perform such duties and 9 have such powers as the commission may prescribe and delegate to 10 implement and enforce this chapter efficiently and effectively. 11 The commission shall not delegate its authority to adopt, amend, or rescind 12 13 rules nor ((shall)) may it delegate authority to determine whether an 14 actual violation of this chapter has occurred or to assess penalties for such violations; 15

16 (3) Prepare and publish ((such)) reports and technical studies as 17 in its judgment will tend to promote the purposes of this chapter, 18 including reports and statistics concerning campaign financing, 19 lobbying, financial interests of elected officials, and enforcement of 20 this chapter;

21 (4) ((Make from time to time, on its own motion)) Conduct, as it 22 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;

31

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

32 (8) ((Relieve, by rule,)) Adopt rules relieving candidates or 33 political committees of obligations to comply with the <u>election</u> 34 <u>campaign</u> provisions of this chapter ((relating to election campaigns)), 35 if they have not received contributions nor made expenditures in 36 connection with any election campaign of more than ((one)) <u>five</u> 37 thousand dollars;

(9) Adopt rules prescribing reasonable requirements for keeping 1 2 accounts of, and reporting on a quarterly basis, costs incurred by state agencies, counties, cities, and other municipalities and 3 political subdivisions in preparing, publishing, and distributing 4 legislative information. ((The-term)) For the purposes of this 5 <u>subsection</u>, "legislative information((-))" ((for the purposes of this 6 7 subsection,)) means books, pamphlets, reports, and other materials 8 prepared, published, or distributed at substantial cost, a substantial purpose of which is to influence the passage or defeat of any 9 legislation. The state auditor in his or her regular examination of 10 each agency under chapter 43.09 RCW shall review the rules, accounts, 11 12 and reports and make appropriate findings, comments, and 13 recommendations ((in his or her examination reports)) concerning those 14 agencies; and

15 (10) ((After hearing, by order approved and ratified by a majority of-the-membership-of-the-commission,-suspend-or-modify-any-of-the 16 17 reporting requirements of this chapter in a particular case if it finds 18 that — literal — application — of — this — chapter — works — a — manifestly 19 unreasonable-hardship-and-if-it-also-finds-that-the-suspension-or 20 modification-will-not-frustrate-the-purposes-of-the-chapter. The commission shall find that a manifestly unreasonable hardship exists if 21 22 reporting-the-name-of-an-entity-required-to-be-reported-under-RCW 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive 23 24 position of any entity in which the person filing the report or any 25 member of his or her immediate family holds any office, directorship, 26 general partnership interest, or an ownership interest of ten percent 27 or more. Any suspension or modification shall be only to the extent 28 necessary to substantially relieve the hardship. The commission shall 29 act-to-suspend-or-modify-any-reporting-requirements-only-if-it 30 determines that facts exist that are clear and convincing proof of the findings-required-under-this-section. Requests-for-renewals-of 31 32 reporting modifications may be heard in a brief adjudicative proceeding 33 as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. No initial request may be 34 35 heard in a brief adjudicative proceeding and no request for renewal may 36 be heard in a brief adjudicative proceeding if the initial request was 37 granted more than three years previously or if the applicant is holding an-office-or-position-of-employment-different-from-the-office-or 38

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

(11) Revise, at least once every five years but no more often than 6 7 every two years, the monetary reporting thresholds and reporting code 8 values of this chapter. The revisions shall be only for the purpose of 9 recognizing-economic-changes-as-reflected-by-an-inflationary-index 10 recommended by the office of financial management. The revisions shall be quided by the change in the index for the period commencing with the 11 12 month of December preceding the last revision and concluding with the 13 month of December preceding the month the revision is adopted. As to 14 each-of-the-three-general-categories-of-this-chapter-(reports-of 15 campaign-finance,-reports-of-lobbyist-activity,-and-reports-of-the 16 financial affairs of elected and appointed officials), the revisions 17 shall equally affect all thresholds within each category. Revisions 18 shall be adopted as rules under chapter 34.05 RCW. The first revision authorized by this subsection shall reflect economic changes from the 19 time of the last legislative enactment affecting the respective code or 20 21 threshold through December 1985;

22 (12)) Develop and provide to filers a system for certification of 23 reports required under this chapter which are transmitted by facsimile 24 or electronically to the commission. Implementation of the program is 25 contingent on the availability of funds.

26 NEW SECTION. Sec. 304. SUSPENSION OR MODIFICATION OF REPORTING REQUIREMENTS. (1) The commission may suspend or modify any of the 27 reporting requirements of this chapter if it finds that literal 28 29 application of this chapter works a manifestly unreasonable hardship in 30 a particular case and the suspension or modification will not frustrate 31 the purposes of this chapter. The commission may suspend or modify reporting requirements only after a hearing is held and the suspension 32 33 or modification receives approval from a majority of the commission. 34 The commission shall act to modify any suspend or reporting 35 requirements:

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

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

3 (2) A manifestly unreasonable hardship exists if reporting the name 4 of an entity required to be reported under RCW 42.17.241(1)(g)(ii) (as 5 recodified by this act) would be likely to adversely affect the 6 competitive position of any entity in which the person filing the 7 report, or any member of his or her immediate family, holds any office, 8 directorship, general partnership interest, or an ownership interest of 9 ten percent or more.

10 (3) Requests for renewals of reporting modifications may be heard in a brief adjudicative proceeding as set forth in RCW 34.05.482 11 through 34.05.494 and in accordance with the standards established in 12 13 this section. No initial request may be heard in a brief adjudicative 14 proceeding. No request for renewal may be heard in a brief adjudicative proceeding if the initial request was granted more than 15 16 three years previously or if the applicant is holding an office or 17 position of employment different from the office or position held when the initial request was granted. 18

(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.

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

23 **Sec. 305.** RCW 42.17.690 and 1993 c 2 s 9 are each amended to read 24 as follows:

(1) At the beginning of each even-numbered calendar year, the 25 26 commission shall increase or decrease ((all)) the dollar amounts in ((this - chapter)) RCW 42.17.020(28), 42.17.125(3), 42.17.180(1), 27 42.17.640, 42.17.645, and 42.17.740 (as recodified by this act) based 28 on changes in economic conditions as reflected in the inflationary 29 index ((used by the commission under RCW 42.17.370)) recommended by the 30 31 office of financial management. The new dollar amounts established by the commission under this section shall be rounded off ((by-the 32 33 commission)) to amounts as judged most convenient for public 34 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 35 36 increase in the inflationary index since ((December-3,-1992)) July 37 2008.

1 (2) The commission may revise, at least once every five years but 2 no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The revisions shall be only 3 for the purpose of recognizing economic changes as reflected by an 4 inflationary index recommended by the office of financial management. 5 The revisions shall be guided by the change in the index for the period б 7 commencing with the month of December preceding the last revision and concluding with the month of December preceding the month the revision 8 is adopted. As to each of the three general categories of this 9 chapter, reports of campaign finance, reports of lobbyist activity, and 10 reports of the financial affairs of elected and appointed officials, 11 12 the revisions shall equally affect all thresholds within each category. 13 The revisions authorized by this subsection shall reflect economic changes from the time of the last legislative enactment affecting the 14 respective code or threshold. 15

16 (3) Revisions made in accordance with subsections (1) and (2) of 17 this section shall be adopted as rules under chapter 34.05 RCW.

18 Sec. 306. RCW 42.17.380 and 1982 c 35 s 196 are each amended to 19 read as follows:

20 (((1) The office of the secretary of state shall be designated as 21 a-place-where-the-public-may-file-papers-or-correspond-with-the 22 commission and receive any form or instruction from the commission.

23 (2)) The attorney general, through his <u>or her</u> office, shall 24 ((supply such)) provide assistance as ((the commission may require in 25 order)) required by the commission to carry out its responsibilities 26 under this chapter. The commission may employ attorneys who are 27 neither the attorney general nor an assistant attorney general to carry 28 out any function of the attorney general prescribed in this chapter.

29 Sec. 307. RCW 42.17.405 and 2006 c 240 s 2 are each amended to 30 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:

33 (a) Candidates, elected officials, and agencies in political 34 subdivisions with less than one thousand registered voters as of the 35 date of the most recent general election in the jurisdiction((, to)); 1 (b) Political committees formed to support or oppose candidates or 2 ballot propositions in such political subdivisions((7)); or ((to))

3 <u>(c) Persons making independent expenditures in support of or</u> 4 opposition to such ballot propositions.

(2) The reporting provisions of this chapter apply in any exempt 5 political subdivision from which a "petition for disclosure" containing б 7 the valid signatures of fifteen percent of the number of registered voters, as of the date of the most recent general election in the 8 political subdivision, is filed with the commission. The commission 9 shall by rule prescribe the form of the petition. After the signatures 10 are gathered, the petition shall be presented to the auditor or 11 12 elections officer of the county, or counties, in which the political 13 subdivision is located. The auditor or elections officer shall verify the signatures and certify to the commission that the petition contains 14 no less than the required number of valid signatures. The commission, 15 upon receipt of a valid petition, shall order every known affected 16 17 person in the political subdivision to file the initially required statement and reports within fourteen days of the date of the order. 18

(3) The reporting provisions of this chapter apply in any exempt 19 political subdivision that by ordinance, resolution, or other official 20 21 action has petitioned the commission to make the provisions applicable 22 to elected officials and candidates of the exempt political subdivision. A copy of the action shall be sent to the commission. 23 Ιf 24 the commission finds the petition to be a valid action of the 25 appropriate governing body or authority, the commission shall order every known affected person in the political subdivision to file the 26 27 initially required statement and reports within fourteen days of the date of the order. 28

(4) The commission shall void any order issued by it pursuant to subsection (2) or (3) of this section when, at least four years after issuing the order, the commission is presented a petition or official action so requesting from the affected political subdivision. Such petition or official action shall meet the respective requirements of subsection (2) or (3) of this section.

35 (5) Any petition for disclosure, ordinance, resolution, or official 36 action of an agency petitioning the commission to void the exemption in 37 RCW 42.17.030(3) (as recodified by this act) shall not be considered 38 unless it has been filed with the commission:

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

4 (b) In the case of a candidate, at least sixty days before the 5 first day on which a person may file a declaration of candidacy for any 6 election in which campaign finance reporting is to be required.

7 (6) Any person exempted from reporting under this chapter may at8 his or her option file the statement and reports.

9 (7) The reporting provisions of this chapter apply to a candidate 10 in any political subdivision if the candidate receives or expects to 11 receive five thousand dollars or more in contributions.

12 **Sec. 308.** RCW 42.17.420 and 1999 c 401 s 10 are each amended to 13 read as follows:

(1) Except as provided in subsection (2) of this section, ((when)) 14 15 the date of receipt of any properly addressed application, report, 16 statement, notice, or payment required to be made under the provisions 17 of this chapter ((has been deposited postpaid in the United States mail properly_addressed, it_shall_be_deemed_to_have_been_received_on_the 18 19 date of mailing. It shall be presumed that)) is the date shown by the post office cancellation mark on the envelope ((is-the-date-of 20 21 mailing)) of the submitted material. The provisions of this section do not apply to reports required to be delivered under RCW 42.17.105 and 22 42.17.175 (as recodified by this act). 23

(2) When a report is filed electronically with the commission, it 24 is deemed to have been received on the file transfer date. 25 The 26 commission shall notify the filer of receipt of the electronically filed report. Such notification may be sent by mail, facsimile, or 27 electronic mail. If the notification of receipt of the electronically 28 filed report is not received by the filer, the filer may offer his or 29 30 her own proof of sending the report, and such proof shall be treated as 31 if it were a receipt sent by the commission. Electronic filing may be used for purposes of filing the special reports required to be 32 delivered under RCW 42.17.105 and 42.17.175 (as recodified by this 33 34 <u>act)</u>.

35 *Sec. 309. RCW 42.17.450 and 1973 c 1 s 45 are each amended to read 36 as follows:

1	((Persons with whom statements or reports or copies of statements
2	or reports are required to be filed under this chapter)) (1) County
3	<u>auditors and county elections officials</u> shall preserve ((them)) <u>filed</u>
4	statements or reports for not less than six years.
5	<u>(2)</u> The commission((7- however,)) shall preserve ((such)) <u>filed</u>
6	statements or reports for not less than ten years. *Sec. 309 was vetoed. See message at end of chapter.

PART 4

7 8

CAMPAIGN FINANCE REPORTING

9 **Sec. 401.** RCW 42.17.030 and 2006 c 240 s 1 are each amended to 10 read as follows:

11 The provisions of this chapter relating to the financing of election campaigns shall apply in all election campaigns other than (1) 12 13 for precinct committee officer; (2) for a federal elective office; and (3) for an office of a political subdivision of the state that does not 14 encompass a whole county and that contains fewer than five thousand 15 registered voters as of the date of the most recent general election in 16 17 the subdivision, unless required by RCW 42.17.405 (2) through (5) and 18 (7) (as recodified by this act).

19 Sec. 402. RCW 42.17.040 and 2007 c 358 s 2 are each amended to 20 read as follows:

21 (1) Every political committee((7-within-two-weeks-after-its 22 organization or, within two weeks after the date when it first has the 23 expectation of receiving contributions or making expenditures in any 24 election campaign, whichever is earlier,)) shall file a statement of organization with the commission and with the county auditor 25 or 26 elections officer of the county in which the candidate resides, or in 27 the case of any other political committee, the county in which the 28 treasurer resides. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has 29 the expectation of receiving contributions or making expenditures in 30 31 any election campaign, whichever is earlier. A political committee 32 organized within the last three weeks before an election and having the 33 expectation of receiving contributions or making expenditures during 34 and for that election campaign shall file a statement of organization

within three business days after its organization or when it first has
 the expectation of receiving contributions or making expenditures in
 the election campaign.

4 (2) The statement of organization shall include but not be limited 5 to:

б

13

(a) The name and address of the committee;

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

9 (c) The names, addresses, and titles of its officers; or if it has 10 no officers, the names, addresses, and titles of its responsible 11 leaders;

12 (d)

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

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

14 (f) The name, office sought, and party affiliation of each 15 candidate whom the committee is supporting or opposing, and, if the 16 committee is supporting the entire ticket of any party, the name of the 17 party;

18 (g) The ballot proposition concerned, if any, and whether the 19 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 regulationprescribe, in keeping with the policies and purposes of this chapter;

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

32 (1) The name, address, and title of any person who is paid by or is 33 a volunteer for a candidate or political committee to perform 34 ministerial functions and who performs ministerial functions on behalf 35 of two or more candidates or committees.

36 (3) Any material change in information previously submitted in a37 statement of organization shall be reported to the commission and to

the appropriate county elections officer within the ten days following
 the change.

3 **Sec. 403.** RCW 42.17.050 and 1989 c 280 s 3 are each amended to 4 read as follows:

5 (1) Each candidate, within two weeks after becoming a candidate, 6 and each political committee, at the time it is required to file a 7 statement of organization, shall designate and file with the commission 8 and the appropriate county elections officer the name((s)) and 9 address((es)) of((÷

10 (a))) one legally competent individual, who may be the candidate, 11 to serve as a treasurer((; and

12 (b) A bank, mutual savings bank, savings and loan association, or 13 credit union doing business in this state to serve as depository and 14 the name of the account or accounts maintained in it)).

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

22 (3) ((A-candidate-may-not-knowingly-establish,-use,-direct,-or 23 control more than one political committee for the purpose of supporting 24 that candidate during a particular election campaign. This does not prohibit: (a)-In-addition-to-a-candidate's-having-his-or-her-own 25 26 political-committee,-the-candidate's-participation-in-a-political 27 committee established to support a slate of candidates which includes the candidate; or (b) joint fund raising efforts by candidates when a 28 29 separate political committee is established for that purpose and all 30 contributions are disbursed to and accounted for on a pro rata basis by 31 the benefiting candidates.

32 (4))(a) A candidate or political committee may at any time remove 33 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

1 the appropriate county elections officer the name and address of any 2 successor.

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

7 NEW SECTION. Sec. 404. DEPOSITORIES. Each candidate and each political committee shall designate and file with the commission and 8 the appropriate county elections officer the name and address of not 9 more than one depository for each county in which the campaign is 10 11 conducted in which the candidate's or political committee's accounts 12 are maintained and the name of the account or accounts maintained in that depository on behalf of the candidate or political committee. 13 The candidate or political committee may at any time change the designated 14 depository and shall file with the commission and the appropriate 15 16 county elections officer the same information for the successor depository as for the original depository. The candidate or political 17 committee may not be deemed in compliance with the provisions of this 18 chapter until the information required for the depository is filed with 19 20 the commission and the appropriate county elections officer.

21 **Sec. 405.** RCW 42.17.060 and 1989 c 280 s 4 are each amended to 22 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.

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

<u>(a) E</u>ach such account ((shall)) bear<u>s</u> the same name<u>;</u>

33 (b) Each such account is followed by an appropriate designation 34 ((which)) that accurately identifies its separate purpose((+ AND 35 PROVIDED FURTHER, That)); and

32

1 (c) Transfers of funds ((which)) that must be reported under RCW
2 42.17.090(1)(((d) may)) (e) (as recodified by this act) are not ((be))
3 made from more than one such account.

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

9 <u>(a)</u> The commission and the appropriate county elections officer 10 ((is)) <u>are</u> notified in writing of the initiation and the termination of 11 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)).

(4) Accumulated unidentified contributions, other than those made 18 19 by persons whose names must be maintained on a separate and private 20 list by a political committee's treasurer pursuant to RCW 42.17.090(1)(b) (as recodified by this act), ((which total)) in excess 21 22 of one percent of the total accumulated contributions received in the 23 current calendar year, or three hundred dollars $((+))_{\perp}$ whichever is 24 more((+)), may not be deposited, used, or expended, but shall be 25 returned to the donor((τ)) if his <u>or her</u> identity can be ascertained. If the donor cannot be ascertained, the contribution shall escheat to 26 27 the state((τ)) and shall be paid to the state treasurer for deposit in 28 the state general fund.

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

33 **Sec. 406.** RCW 42.17.065 and 2000 c 237 s 1 are each amended to 34 read as follows:

35 (1) In addition to the provisions of this section, a continuing 36 political committee shall file and report on the same conditions and at

1 the same times as any other committee in accordance with the provisions 2 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 3 commission and the auditor or elections officer of the county in which 4 5 the committee maintains its office or headquarters and if there is no such office or headquarters then in the county in which the committee 6 7 treasurer resides)) a report on the tenth day of ((the)) each month detailing ((its-activities)) expenditures made and contributions 8 9 received for the preceding calendar month ((in which the committee has 10 received a contribution or made an expenditure: PROVIDED, That such)). This report ((shall)) need only be filed if either the total 11 contributions received or total expenditures made since the last such 12 13 report exceed two hundred dollars((+ PROVIDED-FURTHER,-That-after 14 January - 1, - 2002, - if - the - committee - files - with - the - commission electronically, -it-need-not-also-file-with-the-county-auditor-or 15 16 elections officer)). The report must be filed with the commission and the auditor or elections officer of the county in which the committee 17 maintains its office or headquarters. If the committee does not have 18 an office or headquarters, the report must be filed in the county where 19 the committee treasurer resides. However, if the committee files with 20 21 the commission electronically, it need not also file with the county auditor or elections officer. The report shall be on a form supplied 22 by the commission and shall include the following information: 23

24 (a) The information required by RCW 42.17.090 (as recodified by
25 this act);

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

29 (c) ((Such)) Other information ((as)) the commission shall 30 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).

37 (4) A continuing political committee shall file reports as required38 by this chapter until it is dissolved, at which time a final report

1 shall be filed. Upon submitting a final report, the duties of the 2 ((campaign)) treasurer shall cease and there shall be no obligation to 3 make any further reports.

(5) The ((campaign)) treasurer shall maintain books of account, 4 <u>current_within_five_business_days,_that</u> accurately ((reflecting)) 5 reflect all contributions and expenditures ((on a current basis within 6 7 five business days of receipt or expenditure)). During the eight days immediately preceding the date of any election((, for which)) that the 8 9 committee has received any contributions or made any expenditures, the 10 books of account shall be kept current within one business day and shall be open for public inspection in the same manner as provided for 11 12 candidates and other political committees in RCW 42.17.080(5) (as 13 recodified by this act).

14 (6) All reports filed pursuant to this section shall be certified 15 as correct by the ((campaign)) treasurer.

16 (7) The ((campaign)) treasurer shall preserve books of account, 17 bills, receipts, and all other financial records of the campaign or 18 political committee for not less than five calendar years following the 19 year during which the transaction occurred.

20 Sec. 407. RCW 42.17.067 and 1989 c 280 s 6 are each amended to 21 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).

26 (2) Standards:

27

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

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

31 (ii) A gambling operation ((which)) that is licensed, conducted, or 32 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 <u>the per person charge for</u> the food and
 beverages is no more than twenty-five dollars; or

36 (iv) A concert, dance, theater performance, or similar

1 entertainment event ((where)) and the price of admission is no more
2 than twenty-five dollars; or

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

6 (b) No person responsible for receiving money at ((such)) the fund-7 raising activity knowingly accepts payments from a single person at or 8 from such an activity to the candidate or committee aggregating more 9 than fifty dollars unless the name and address of the person making 10 ((such)) the payment, together with the amount paid to the candidate or 11 committee, are disclosed in the report filed pursuant to subsection (6) 12 of this section; and

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

16 (3) All funds received from a fund-raising activity ((which)) that 17 conforms with subsection (2) of this section ((shall)) must be 18 deposited <u>in the depository</u> within five business days of receipt by the 19 treasurer or deputy treasurer ((in the depository)).

20 (4) At the time reports are required under RCW 42.17.080 (as 21 recodified by this act), the treasurer or deputy treasurer making the 22 deposit shall file with the commission and the appropriate county 23 elections officer a report of the fund-raising activity which ((shall)) 24 must contain the following information:

25 (a) The date of the activity;

26 (b) A precise description of the fund-raising methods used in the 27 activity; and

(c) The total amount of cash receipts from persons, each of whompaid no more than fifty dollars.

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

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

(a) The name and address and the amount contributed ((of)) by each person ((who contributes)) contributing goods or services with a fair market value of more than fifty dollars to a fund-raising activity 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 any - statement - of - organization - required - under - RCW - 42.17.040 - or 14 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 the commission and the county auditor or elections officer of the 18 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 the county in which the treasurer resides <u>if there is no office or</u> 22 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.))

The report filed twenty-one days before the election shall report 4 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 6 7 days before the election shall report all contributions received and expenditures made as of the end of the one business day before the date 8 Reports filed on the tenth day of the month shall 9 of the report. report all contributions received and expenditures made from the 10 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 14 preceding the date ((on which)) of the special election ((is held)), or for the period beginning the first day of the fifth month before the 15 16 date ((on which)) of the general election ((is held)), and ending on 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 calendar days. The report shall contain the name of each person 20 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 by the treasurer for his or her records. In the event of deposits made 26 27 by a deputy treasurer, the copy shall be forwarded to the treasurer for his or her records. Each report shall be certified as correct by the 28 treasurer or deputy treasurer making the deposit. 29

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 <u>recodified by this act</u>), the books of account must be open for public inspection by appointment at the designated place for inspections 3 between 8:00 a.m. and 8:00 p.m. on any day from the eighth day 4 immediately before the election through the day immediately before the 5 election, other than Saturday, Sunday, or a legal holiday. It is a 6 violation of this chapter for a candidate or political committee to 7 refuse to allow and keep an appointment for an inspection to be 8 conducted during these authorized times and days. The appointment must 9 10 be allowed at an authorized time and day for such inspections that is within twenty-four hours of the time and day that is requested for the 11 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 a.m.-and-8:00-p.m.,-as-specified-in-the-committee's-statement-of 23 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 27 place as may be authorized by the commission.

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. 1 (9) All reports filed pursuant to subsection (1) or (2) of this
2 section shall be certified as correct by the candidate and the
3 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))) (1) 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)</u> Contributions of no more than twenty-five dollars in the 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 (d) The money value of contributions of postage shall be the face 36 value of ((such)) the postage; 1 (((c))) (3) 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 14 during the period covered by this report, ((and)) the amount, date, and purpose of each ((such)) expenditure((-A-candidate-for-state 15 16 executive-or-state-legislative-office-or-the-political-committee-of 17 such a candidate shall report this information for an expenditure under 18 one-of-the-following-categories, -whichever-is-appropriate: (i) Expenditures for the election of the candidate; (ii) expenditures for 19 nonreimbursed - public - office-related - expenses; - (iii) - expenditures 20 21 required - to - be - reported - under - (e) - of - this - subsection; - or - (iv) 22 expenditures of surplus funds and other expenditures. The report of such-a-candidate-or-committee-shall-contain-a-separate-total-of 23 24 expenditures for each category and a total sum of all expenditures. 25 Other candidates and political committees need not report information 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 sum of all 29 30 expenditures;

31 $((\frac{g}))$ <u>(7)</u> The name and address of each person ((to-whom-any expenditure was made directly or indirectly to compensate the person))32 <u>directly compensated</u> for soliciting or procuring signatures on an34 initiative or referendum petition, the amount of <math>((such)) <u>the</u> 35 compensation to each ((such)) person, and the total ((of-the))36 expenditures made for this purpose. Such expenditures shall be 37 reported under this subsection (((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 19 committee-that-expended-twenty-five-thousand-dollars-or-more-in-the 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 24 commission may make exceptions on a case by case basis for candidates whose-authorized-committees-lack-the-technological-ability-to-file 25 26 reports using the electronic alternative provided by the commission.

27 (2)-Beginning-January-1,-2004,)) Each candidate or political committee that expended ten thousand dollars or more in the preceding 28 year or expects to expend ten thousand dollars or more in the current 29 30 year shall file all contribution reports and expenditure reports 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 reports using the electronic alternative provided by the commission. 35

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;

15 (d) The name, office sought, and party affiliation of each 16 candidate in the state of Washington whom the out-of-state committee is 17 supporting or opposing and, if ((such)) the committee is supporting or 18 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 residing outside the state of Washington who has made one or more 29 contributions in the aggregate of more than two thousand five hundred 30 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 <u>fifty</u> dollar limit in this subsection based on percentage 34 change in the implicit price deflator for personal consumption 35 expenditures for the United States as published for the most recent 36 37 twelve-month period by the bureau of economic analysis of the federal 38 department of commerce;

1 (h) The name and address of each person in the state of Washington 2 to whom an expenditure was made by the out-of-state committee with 3 respect to a candidate or political committee in the aggregate amount 4 of more than fifty dollars, the amount, date, and purpose of ((such)) 5 <u>the</u> expenditure, and the total sum of ((such)) <u>the</u> 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 expenditure that is made in support of or in opposition to any 18 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: internal political communication primarily limited 22 An to the 23 contributors to a political party organization or political action 24 committee, or the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor 25 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 the worker. "Volunteer services," for the purposes of this section, 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 5 expenditure (or in the case of an expenditure made in support of or in б opposition to a local ballot proposition, the county of residence for 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.

(3) At the following intervals each person who is required to file 10 11 an initial report pursuant to subsection (2) of this section shall file with the commission and the county elections officer of the county of 12 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 16 person making the expenditure) a further report of the independent 17 expenditures made since the date of the last report:

(a) On the twenty-first day and the seventh day preceding the date
 on 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.

32 (((5))) <u>(6)</u> Each report required by subsections (2) and (3) of this 33 section shall disclose for the period beginning at the end of the 34 period for the last previous report filed or, in the case of an initial 35 report, beginning at the time of the first independent expenditure, and 36 ending not more than one business day before the date the report is 37 due:

38 (a) Th

(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 expenditure. If no reasonable estimate of the monetary value of a 5 particular independent expenditure is practicable, it is sufficient to report instead a precise description of services, property, or rights 6 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)). *Sec. 412 was vetoed. See message at end of chapter.

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

(1) The sponsor of political advertising who, within twenty-one 16 17 days of an election, publishes, mails, or otherwise presents to the 18 public political advertising supporting or opposing a candidate or 19 ballot proposition that qualifies as an independent expenditure with a fair market value of one thousand dollars or more shall deliver, either 20 electronically or in written form, a special report to the commission 21 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 section, the sponsor shall also deliver to the commission within the 26 delivery period established in subsection (1) of this section a special 27 28 for each subsequent independent expenditure of any size report 29 supporting or opposing the same candidate who was the subject of the 30 independent expenditure, previous supporting or opposing that 31 candidate's opponent, or supporting or opposing the same ballot 32 proposition that was the subject of the previous independent 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 advertising was first published or otherwise presented to the public; 3 4

(e) The amount of the expenditure;

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

10

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

(4) All persons required to report under RCW 42.17.065, 42.17.080, 11 12 42.17.090, 42.17.100, and 42.17.565 (as recodified by this act) are 13 subject to the requirements of this section. The commission may 14 determine that reports filed pursuant to this section also satisfy the requirements of RCW 42.17.100 (as recodified by this act). 15

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

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

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

32 ((Any)) (2) A political committee ((making)) shall prepare and deliver to the commission a special report when it makes a contribution 33 or an aggregate of contributions to a single entity ((which is)) that 34 totals one thousand dollars or more ((shall also prepare and deliver to 35 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: 2 (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) Special reporting periods, for purposes of this section,</u>
9 <u>include</u>: (((i)))

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

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

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

(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 working day after: The contribution of one thousand dollars or more is 4 5 received by the candidate or treasurer; the aggregate received by the candidate or treasurer first equals one thousand dollars or more; or 6 7 ((the)) any subsequent contribution ((that-must-be-reported-under subsection (2) of this section)) from the same source is received by 8 9 the candidate or treasurer.

10 (b) The special report required of a contributor ((by)) under subsection (((1))) (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, 14 within twenty-four hours of the time, or on the first working day after: The contribution is made; the aggregate of contributions made 15 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,

contributions reportable under RCW 42.17.090 in the aggregate exceeding 1 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 5 election. This subsection does not apply to contributions made by, or 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 19 advertising in a single calendar year shall((7))report that activity. The report must be made within two working days after the date of the 20 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 $((\partial r))$ of 24 residence ((for)) of the candidate supported or opposed by the 25 independent campaign expenditure ((or,)). In the of case an 26 expenditure made in support of or in opposition ballot to а 27 proposition, the report must be sent to the county of residence ((for)) of the person making the expenditure. 28

*Sec. 415 was vetoed. See message at end of chapter.

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

25 (((1))) <u>(a)</u> Timely disclosure to voters of the identity and sources 26 of funding for electioneering communications is vitally important to 27 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.

((((5))) <u>(e)</u> The United States supreme court held in *McConnell et* 9 al. v. Federal Elections Commission, 540 U.S. 93, 124 S.Ct. 619, 157 10 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 functional equivalent of express advocacy. Therefore, such the election campaign communications can be regulated and the source of 15 16 funding disclosed.

17 (((6))) (f) 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 (as recodified by this act). 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 28 persons and entities seeking to influence state, local, and judicial 29 campaigns through reasonable and effective mechanisms, including 30 improving disclosure of the source, identity, and funding of 31 electioneering communications concerning state, local, and judicial 32 candidate campaigns; 33 (b) Regulate electioneering communications that mention state,

34 <u>local</u>, and judicial candidates and that are broadcast, mailed, erected, 35 <u>distributed</u>, or otherwise published right before the election so that 36 <u>the public knows who is paying for such communications;</u>

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 5 808 (2000). The commission is authorized to fully restore the 6 7 implementation of the limits and restrictions of RCW 42.17.640 (7) and (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 10 491 (2003). The United States supreme court upheld the disclosure and regulation_of_electioneering_communications_in_political_campaigns, 11 12 including but not limited to issue advocacy that is the functional 13 equivalent of express advocacy; and

14 (d) Authorize the commission to adopt rules to implement chapter
 15 <u>445</u>, Laws of 2005.

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:

24 (i) General treasury funds. The name and address of businesses, unions, groups, associations, or other organizations using general 25 26 treasury funds for the communication, however, if a business, union, group, association, or other organization undertakes a special 27 solicitation of its members or other persons for an electioneering 28 communication, or it otherwise receives funds for an electioneering 29 30 communication, that entity shall report pursuant to (b)(ii) of this 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 requirements of this section, although the commission may determine by 29 rule that persons filing according to those sections may be exempt from 30 31 reporting some of the information otherwise required by this section. 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 a 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.

24 (2) All reports filed under RCW 42.17.565 (as recodified by this <u>act</u>) shall be certified as correct by the sponsor. If the sponsor is 25 26 an individual using his or her own funds to pay for the communication, the certification shall be signed by the individual. If the sponsor is 27 a political committee, the certification shall be signed by the 28 committee treasurer. If the 29 sponsor is another entity, the 30 certification shall be signed by the individual responsible for 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 unlawful. For partisan office, if a candidate has 4 expressed a party or independent preference on the declaration of 5 candidacy, that party or independent designation shall be clearly 6 7 identified in electioneering communications, independent expenditures, or political advertising. 8

9 (2) In addition to the ((materials)) information required by 10 subsection (1) of this section, except as specifically addressed in 11 subsections (4) and (5) of this section, all political advertising 12 undertaken as an independent expenditure <u>or an electioneering</u> 13 <u>communication</u> by a person or entity other than a <u>bona fide political</u> 14 party ((organization, and all electioneering communications,)) must 15 include <u>as part of the communication</u>:

16 <u>(a) The ((following)) statement ((as part of the communication
17 "NOTICE TO VOTERS (Required by law): This advertisement is not
18 authorized or approved by any candidate)): "No candidate authorized
19 this ad. It is paid for by (name, address, city, state)((-))";</u>

20 (b) If the ((advertisement undertaken as an independent expenditure 21 or electioneering communication is undertaken by a nonindividual other 22 than a party organization, then the following notation must also be included)) sponsor is a political committee, the statement: "Top Five 23 24 Contributors, " followed by a listing of the names of the five persons 25 or entities making the largest contributions in excess of seven hundred 26 dollars reportable under this chapter during the twelve-month period 27 before the date of the advertisement or communication; and

28 (c) If the sponsor is a political committee established, 29 maintained, or controlled directly, or indirectly through the formation 30 of one or more political committees, by an individual, corporation, 31 union, association, or other entity, the full name of that individual 32 or entity.

33 (3) The ((statements-and-listings-of-contributors)) information 34 required by subsections (1) and (2) of this section shall:

35 (a) Appear on the first page or fold of the written advertisement 36 or communication in at least ten-point type, or in type at least ten 37 percent of the largest size type used in a written advertisement or 1 communication directed at more than one voter, such as a billboard or 2 poster, whichever is larger;

3

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

4

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

5 (4) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual 6 7 image, the following statement must either be clearly spoken, or appear in print and be visible for at least four seconds, appear in letters 8 greater than four percent of the visual screen height, and have a 9 10 reasonable color contrast with the background: "No candidate authorized this ad. Paid for by (name, city, state)." If the 11 advertisement or communication is undertaken by a nonindividual other 12 13 than a party organization, then the following notation must also be included: "Top Five Contributors" followed by a listing of the names 14 of the five persons or entities making the largest contributions in 15 excess of seven hundred dollars reportable under this chapter during 16 17 the twelve-month period before the date of the advertisement. Abbreviations may be used to describe contributing entities if the full 18 name of the entity has been clearly spoken previously during the 19 broadcast advertisement. 20

21 The following statement shall be clearly spoken in (5) an 22 independent expenditure or electioneering communication transmitted by a method that does not include a visual image: 23 "No candidate 24 authorized this ad. Paid for by (name, city, state)." If the 25 independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following 26 27 statement must also be included: "Top Five Contributors" followed by a listing of the names of the five persons or entities making the 28 largest contributions in excess of seven hundred dollars reportable 29 under this chapter during the twelve-month period before the date of 30 31 the advertisement. Abbreviations may be used to describe contributing 32 entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement. 33

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

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

6 **Sec. 506.** RCW 42.17.520 and 1984 c 216 s 2 are each amended to 7 read as follows:

8 At least one picture of the candidate used in any political 9 advertising shall have been taken within the last five years and shall 10 be no smaller than ((the-largest)) any_other picture of the same 11 candidate used in the same advertisement.

12 **Sec. 507.** RCW 42.17.540 and 1984 c 216 s 4 are each amended to 13 read as follows:

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

19 (2) If a broadcasting station or other medium changes the content 20 of a political advertisement, the station or medium shall be 21 responsible for any failure of the advertisement to comply with RCW 22 42.17.510 through 42.17.530 (as recodified by this act) that results 23 from that change.

24 **Sec. 508.** RCW 42.17.110 and 2005 c 445 s 8 are each amended to 25 read as follows:

(1) Each commercial advertiser who has accepted or provided political advertising or electioneering communications during the election campaign shall maintain <u>documents and books of account that</u> <u>shall be</u> open for public inspection <u>during normal business hours</u> during the campaign and for a period of no less than three years after the date of the applicable election($(\tau - during - normal - business - hours_{\tau})$). <u>The</u> documents and books of account ((which)) shall specify:

(a) The names and addresses of persons from whom it acceptedpolitical advertising or electioneering communications;

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

(c) The ((consideration)) total cost and the manner of ((paying 1 that consideration for such)) payment for the services. 2

(2) At the request of the commission, each commercial advertiser 3 ((which must)) required to comply with subsection (1) of this section 4 5 shall deliver to the commission($(7-upon-its-request_{7})$) copies of ((such)) the information ((as)) that must be maintained and be open for б 7 public inspection pursuant to subsection (1) of this section.

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PART 6 CAMPAIGN CONTRIBUTION LIMITS AND OTHER RESTRICTIONS

Sec. 601. RCW 42.17.610 and 1993 c 2 s 1 are each amended to read 10 11 as follows:

(1) The people of the state of Washington find and declare that: 12

(((1))) (a) The financial strength of certain individuals or 13 14 organizations should not permit them to exercise a disproportionate or 15 controlling influence on the election of candidates.

((((2))) (b) Rapidly increasing political campaign costs have led 16 many candidates to raise larger percentages of money from special 17 interests with a specific financial stake in matters before state 18 government. This has caused the public perception that decisions of 19 20 elected officials are being improperly influenced by monetary 21 contributions.

(((3))) (c) Candidates are raising less 22 money in small contributions from individuals and more money from special interests. 23 This has created the public perception that individuals have an 24 25 insignificant role to play in the political process.

26

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

(a) Ensure that individuals and interest groups have fair and equal 27 opportunity to influence elective and governmental processes; 28

29 (b) Reduce the influence of large organizational contributors; and (c) Restore public trust in governmental institutions and the 30 electoral process. 31

Sec. 602. RCW 42.17.640 and 2006 c 348 s 1 are each amended to 32 read as follows: 33

- 34 (1) The contribution limits in this section apply to:
- 35 (a) Candidates for ((state)) legislative office;

1 (b) Candidates for state office other than ((state)) legislative
2 office;

3 (c) Candidates for county office in a county that has over two 4 hundred thousand registered voters;

5 (d) Candidates for special purpose district office if that district 6 is authorized to provide freight and passenger transfer and terminal 7 facilities and that district has over two hundred thousand registered 8 voters;

9 (e) Persons holding an office in (a) through (d) of this subsection 10 against whom recall charges have been filed or to a political committee 11 having the expectation of making expenditures in support of the recall 12 of a person holding the office;

13

3 (f) Caucus political committees;

14

(g) Bona fide political parties.

(2) No person, other than a bona fide political party or a caucus 15 16 political committee, may make contributions to a candidate for a 17 ((state)) legislative office or county office that in the aggregate exceed ((seven)) eight hundred dollars or to a candidate for a public 18 office in a special purpose district or a state office other than a 19 ((state)) legislative office that in the aggregate exceed one thousand 20 ((four)) six hundred dollars for each election in which the candidate 21 22 is on the ballot or appears as a write-in candidate. Contributions to 23 candidates subject to the limits in this section made with respect to 24 a primary may not be made after the date of the primary. However, 25 contributions to a candidate or a candidate's authorized committee may be made with respect to a primary until thirty days after the primary, 26 27 subject to the following limitations: (a) The candidate lost the primary; (b) the candidate's authorized committee has insufficient 28 funds to pay debts outstanding as of the date of the primary; and (c) 29 the contributions may only be raised and spent to satisfy the 30 31 outstanding debt. Contributions to candidates subject to the limits in 32 this section made with respect to a general election may not be made after the final day of the applicable election cycle. 33

34 (3) No person, other than a bona fide political party or a caucus 35 political committee, may make contributions to a state official, a 36 county official, or a public official in a special purpose district 37 against whom recall charges have been filed, or to a political 38 committee having the expectation of making expenditures in support of the recall of the state official, county official, or public official in a special purpose district during a recall campaign that in the aggregate exceed ((seven)) eight hundred dollars if for a ((state)) legislative office or county office or one thousand ((four)) six hundred dollars if for a special purpose district office or a state office other than a ((state)) legislative office.

7 (4)(a) Notwithstanding subsection (2) of this section, no bona fide political party or caucus political committee may make contributions to 8 a candidate during an election cycle that in the aggregate exceed (i) 9 10 ((seventy)) eighty cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is 11 12 elected if the contributor is a caucus political committee or the 13 governing body of a state organization, or (ii) ((thirty-five)) forty 14 cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county 15 central committee or a legislative district committee. 16

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

(5)(a) Notwithstanding subsection (3) of this section, no bona fide 23 24 political party or caucus political committee may make contributions to 25 a state official, county official, or a public official in a special purpose district against whom recall charges have been filed, or to a 26 27 political committee having the expectation of making expenditures in support of the state official, county official, or a public official in 28 a special purpose district during a recall campaign that in the 29 aggregate exceed (i) ((seventy)) eighty cents multiplied by the number 30 of eligible registered voters in the jurisdiction entitled to recall 31 32 the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) ((thirty-five)) 33 forty cents multiplied by the number of registered voters in the 34 jurisdiction from which the candidate is elected if the contributor is 35 a county central committee or a legislative district committee. 36

(b) No official holding an office specified in subsection (1) ofthis section against whom recall charges have been filed, no authorized

committee of the official, and no political committee having the 1 expectation of making expenditures in support of the recall of the 2 official may accept contributions from a county central committee or a 3 legislative district committee during an election cycle that when 4 combined with contributions from other county central committees or 5 legislative district committees would in the aggregate exceed ((thirty-6 7 five)) forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected. 8

9 (6) For purposes of determining contribution limits under 10 subsections (4) and (5) of this section, the number of eligible 11 registered voters in a jurisdiction is the number at the time of the 12 most recent general election in the jurisdiction.

13 (7) Notwithstanding subsections (2) through (5) of this section, no 14 person other than an individual, bona fide political party, or caucus political committee may make contributions reportable under this 15 chapter to a caucus political committee that in the aggregate exceed 16 17 ((seven)) eight hundred dollars in a calendar year or to a bona fide political party that in the aggregate exceed ((three)) four thousand 18 ((five hundred)) dollars in a calendar year. This subsection does not 19 20 apply to loans made in the ordinary course of business.

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

35 (11) RCW 42.17.640 through 42.17.790 (as recodified by this act) 36 apply to a special election conducted to fill a vacancy in an office 37 specified in subsection (1) of this section. However, the 38 contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not be counted toward any of the limitations that apply to the candidate or to contributions made to the candidate for any other primary or election.

(12) Notwithstanding the other subsections of this section, no 5 corporation or business entity not doing business in Washington state, б 7 no labor union with fewer than ten members who reside in Washington state, and no political committee that has not received contributions 8 9 of ten dollars or more from at least ten persons registered to vote in 10 Washington state during the preceding one hundred eighty days may make contributions reportable under this chapter to a state office 11 12 candidate, to a state official against whom recall charges have been 13 filed, or to a political committee having the expectation of making 14 expenditures in support of the recall of the official. This subsection does not apply to loans made in the ordinary course of business. 15

(13) Notwithstanding the other subsections of this section, no 16 17 county central committee or legislative district committee may make contributions reportable under this chapter to a candidate specified in 18 subsection (1) of this section, or an official specified in subsection 19 (1) of this section against whom recall charges have been filed, or 20 21 political committee having the expectation of making expenditures in 22 support of the recall of an official specified in subsection (1) of this section if the county central committee or legislative district 23 committee is outside of the jurisdiction entitled to elect the 24 candidate or recall the official. 25

26 (14) No person may accept contributions that exceed the 27 contribution limitations provided in this section.

28 (15) The following contributions are exempt from the contribution 29 limits of this section:

contribution 30 (a) An expenditure or earmarked for voter 31 registration, for absentee ballot information, for precinct caucuses, 32 for get-out-the-vote campaigns, for precinct judges or inspectors, for sample ballots, or for ballot counting, all without promotion of or 33 political advertising for individual candidates; ((or)) 34

35 (b) An expenditure by a political committee for its own internal 36 organization or fund_raising without direct association with individual 37 candidates; or

(c) An expenditure or contribution for independent expenditures as

2 defined in RCW 42.17.020 or electioneering communications as defined in 3 RCW 42.17.020.

4 **Sec. 603.** RCW 42.17.645 and 2006 c 348 s 2 are each amended to 5 read as follows:

6 (1) No person may make contributions to a candidate for judicial 7 office that in the aggregate exceed one thousand ((four)) six hundred dollars for each election in which the candidate is on the ballot or 8 appears as a write-in candidate. Contributions made with respect to a 9 primary may not be made after the date of the primary. However, 10 contributions to a candidate or a candidate's authorized committee may 11 be made with respect to a primary until thirty days after the primary, 12 subject to the following limitations: (a) The candidate lost the 13 primary; (b) the candidate's authorized committee has insufficient 14 15 funds to pay debts outstanding as of the date of the primary; and (c) 16 the contributions may only be raised and spent to satisfy the 17 outstanding debt. Contributions made with respect to a general election may not be made after the final day of the applicable election 18 19 cycle.

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

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

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

NEW SECTION. Sec. 604. REPORTABLE CONTRIBUTIONS--PREELECTION LIMITATIONS. (1) It is a violation of this chapter for any person to make, or for any candidate or political committee to accept from any one person, contributions reportable under RCW 42.17.090 (as recodified by this act) in the aggregate exceeding fifty thousand dollars for any campaign for statewide office or exceeding five thousand dollars for

1

1 any other campaign subject to the provisions of this chapter within 2 twenty-one days of a general election. This subsection does not apply 3 to contributions made by, or accepted from, a bona fide political party 4 as defined in this chapter, excluding the county central committee or 5 legislative district committee.

6 (2) Contributions governed by this section include, but are not 7 limited to, contributions made or received indirectly through a third 8 party or entity whether the contributions are or are not reported to 9 the commission as earmarked contributions under RCW 42.17.135 (as 10 recodified by this act).

11 **Sec. 605.** RCW 42.17.070 and 2007 c 358 s 3 are each amended to 12 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 $form((\tau - and))$. A record of all such expenditures shall be maintained by the treasurer.

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

22 **Sec. 606.** RCW 42.17.095 and 2005 c 467 s 1 are each amended to 23 read as follows:

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

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

30 (2) ((Transfer the surplus to the candidate's personal account as 31 reimbursement)) Using_surplus,_reimburse_the_candidate for lost 32 earnings incurred as a result of that candidate's election campaign. 33 ((Such)) Lost earnings shall be verifiable as unpaid salary or, when 34 the candidate is not salaried, as an amount not to exceed income 35 received by the candidate for services rendered during an appropriate, 36 corresponding time period. All lost earnings incurred shall be

1 documented and a record thereof shall be maintained by the candidate or 2 the candidate's ((political)) <u>authorized</u> committee. The committee 3 shall ((include)) <u>maintain</u> a copy of ((such)) <u>this</u> record ((when its 4 expenditure - for - such - reimbursement - is - reported - pursuant - to - RCW 5 <u>42.17.090</u>)) in accordance with RCW 42.17.080(6) (as recodified by this 6 <u>act</u>);

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

9 (4) Donate the surplus to a charitable organization registered in 10 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

16 (6) Hold the surplus in the ((campaign)) depository or depositories 17 designated in accordance with ((RCW 42.17.050)) section 404 of this act for possible use in a future election campaign for the same office last 18 sought by the candidate and report any such disposition in accordance 19 with RCW 42.17.090((: PROVIDED, That)) (as recodified by this act). 20 21 If the candidate subsequently announces or publicly files for office, 22 the appropriate information ((as appropriate is)) must be reported to the commission in accordance with RCW 42.17.040 through 42.17.090 (as 23 24 <u>recodified by this act</u>). If a subsequent office is not sought the 25 surplus held shall be disposed of in accordance with the requirements of this section. 26

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

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

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

NEW SECTION. Sec. 607. CANDIDATES' POLITICAL COMMITTEES--1 2 LIMITATIONS. A candidate may not knowingly establish, use, direct, or control more than one political committee for the purpose of supporting 3 that candidate during a particular election campaign. This does not 4 5 prohibit: (1) In addition to a candidate's having his or her own political committee, the candidate's participation in a political б 7 committee established to support a slate of candidates that includes the candidate; or (2) joint fund-raising efforts by candidates when a 8 9 separate political committee is established for that purpose and all 10 contributions are disbursed to and accounted for on a pro rata basis by the benefiting candidates. 11

12 Sec. 608. RCW 42.17.125 and 1995 c 397 s 29 are each amended to 13 read as follows:

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

(1) Reimbursement for or ((loans)) payments to cover lost earnings 19 20 incurred as a result of campaigning or services performed for the 21 political committee. ((Such)) Lost earnings shall be verifiable as unpaid salary, or when the individual is not salaried, as an amount not 22 23 to exceed income received by the individual for services rendered 24 during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record ((thereof)) shall be 25 26 maintained by the ((individual)) candidate or the ((individual's political)) candidate's authorized committee in accordance with RCW 27 42.17.080 (as recodified by this act). ((The political committee shall 28 29 include - a - copy - of - such - record - when - its - expenditure - for - such 30 reimbursement is reported pursuant to RCW 42.17.090.))

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

for such reimbursement is reported pursuant to RCW 42.17.090 (as
 recodified by this act).

3 (3) Repayment of loans made by the individual to political 4 committees((,-which-repayment)) shall be reported pursuant to RCW 5 42.17.090 (as recodified by this act). However, contributions may not 6 be used to reimburse a candidate for loans totaling more than ((three)) 7 four thousand seven hundred dollars made by the candidate to the 8 candidate's own ((political)) authorized committee ((or campaign)).

9 Sec. 609. RCW 42.17.660 and 2005 c 445 s 12 are each amended to 10 read as follows:

11 For purposes of this chapter:

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

16 (2) Two or more entities are treated as a single entity if one of 17 the two or more entities is a subsidiary, branch, or department of a 18 corporation that is participating in an election campaign or making contributions, or a local unit or branch of a trade association, labor 19 20 union, or collective bargaining association that is participating in an 21 election campaign or making contributions. All contributions made by a person or political committee whose contribution or expenditure 22 23 activity is financed, maintained, or controlled by a trade association, 24 labor union, collective bargaining organization, or the local unit of a trade association, labor union, or collective bargaining organization 25 26 are considered made by the trade association, labor union, collective bargaining organization, or local unit of a trade association, labor 27 union, or collective bargaining organization. 28

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

32 **Sec. 610.** RCW 42.17.720 and 1995 c 397 s 22 are each amended to 33 read as follows:

34 (1) A loan is considered to be a contribution from the lender and35 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.

3 (2) A loan to a candidate for public office or the candidate's 4 ((political)) <u>authorized</u> committee must be by written agreement.

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

6 (a) By a commercial lending institution;

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

8 (c) On the same terms ordinarily available to members of the 9 public, are not subject to the contribution limits of this chapter.

10 **Sec. 611.** RCW 42.17.740 and 1995 c 397 s 23 are each amended to 11 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.

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

18 Sec. 612. RCW 42.17.790 and 1995 c 397 s 27 are each amended to 19 read as follows:

20 (1) Except as provided in subsection (2) of this section, a 21 candidate for public office or the candidate's ((political)) authorized 22 committee may not use or permit the use of contributions, whether or 23 not surplus, solicited for or received by the candidate ((for public office)) or the candidate's ((political)) <u>authorized</u> committee to 24 25 further the candidacy of the individual for an office other than the office designated on the statement of organization. A contribution 26 solicited for or received on behalf of the candidate ((for-public 27 office)) is considered solicited or received for the candidacy for 28 which the individual is then a candidate if the contribution is 29 30 solicited or received before the general election((s)) for which the candidate ((for public office)) is a nominee or is unopposed. 31

(2) With the written approval of the contributor, a candidate ((for
public office)) or the candidate's ((political)) <u>authorized</u> committee
may use or permit the use of contributions, whether or not surplus,
solicited for or received by the candidate ((for <u>public office</u>)) or the
candidate's ((political)) <u>authorized</u> committee from that contributor to

further the candidacy of the individual for an office other than the 1 2 office designated on the statement of organization. If the contributor does not approve the use of his or her contribution to further the 3 candidacy of the individual for an office other than the office 4 5 designated on the statement of organization at the time of the contribution, the contribution must be considered surplus funds and б 7 disposed of in accordance with RCW 42.17.095 (as recodified by this 8 act).

9 Sec. 613. RCW 42.17.680 and 2002 c 156 s 1 are each amended to 10 read as follows:

(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.

(2) No employer or labor organization may discriminate against an 18 19 officer or employee in the terms or conditions of employment for (a) 20 the failure to contribute to, (b) the failure in any way to support or 21 oppose, or (c) in any way supporting or opposing a candidate, ballot 22 proposition, political party, or political committee. At least 23 annually, an employee from whom wages or salary are withheld under 24 subsection (3) of this section shall be notified of the provisions of this subsection. 25

26 (3) No employer or other person or entity responsible for the disbursement of funds in payment of wages or salaries may withhold or 27 28 divert a portion of an employee's wages or salaries for contributions to political committees or for use as political contributions except 29 30 upon the written request of the employee. The request must be made on 31 a form prescribed by the commission informing the employee of the prohibition against employer and labor organization discrimination 32 described in subsection (2) of this section. The employee may revoke 33 the request at any time. At least annually, the employee shall be 34 35 notified about the right to revoke the request.

36 (4) Each person or entity who withholds contributions under 37 subsection (3) of this section shall maintain open for public

inspection for a period of no less than three years, during normal business hours, documents and books of accounts that shall include a copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred to a political committee. Copies of such information shall be delivered to the commission upon request.

PART 7
 PUBLIC OFFICIALS', EMPLOYEES', AND AGENCIES' CAMPAIGN
 RESTRICTIONS, PROHIBITIONS, AND REPORTING

10 **Sec. 701.** RCW 42.17.130 and 2006 c 215 s 2 are each amended to 11 read as follows:

12 No elective official nor any employee of his (([or her])) or her office nor any person appointed to or employed by any public office or 13 agency may use or authorize the use of any of the facilities of a 14 15 public office or agency, directly or indirectly, for the purpose of 16 assisting a campaign for election of any person to any office or for 17 the promotion of or opposition to any ballot proposition. Facilities of a public office or agency include, but are not limited to, use of 18 19 stationery, postage, machines, and equipment, use of employees of the office or agency during working hours, vehicles, office space, 20 publications of the office or agency, and clientele lists of persons 21 22 served by the office or agency. However, this does not apply to the 23 following activities:

24 (1) Action taken at an open public meeting by members of an elected 25 legislative body or by an elected board, council, or commission of a special purpose district including, but not limited to, fire districts, 26 public hospital districts, library districts, park districts, port 27 districts, public utility districts, school districts, sewer districts, 28 29 and water districts, to express a collective decision, or to actually 30 vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition so long as (a) any required 31 notice of the meeting includes the title and number of the ballot 32 proposition, and (b) members of the legislative body, members of the 33 34 board, council, or commission of the special purpose district, or 35 members of the public are afforded an approximately equal opportunity 36 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;

4 (3) Activities which are part of the normal and regular conduct of 5 the office or agency.

6 <u>(4) This section does not apply to any person who is a state</u> 7 <u>officer or state employee as defined in RCW 42.52.010.</u>

8 **Sec. 702.** RCW 42.17.245 and 2005 c 274 s 282 are each amended to 9 read as follows:

10 After January 1st and before April 15th of each calendar year, the 11 state treasurer, each county, public utility district, and port 12 district treasurer, and each treasurer of an incorporated city or town 13 whose population exceeds one thousand shall file with the commission:

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

19 (2) A report disclosing for the previous calendar year: (a) The 20 name and address of each financial institution in which the treasurer 21 or, in the case of a county, a member of the county finance committee, 22 held during the reporting period an office, directorship, partnership 23 interest, or ownership interest which holds or has held during the 24 reporting period public accounts of the governmental entity for which the treasurer is responsible; (b) the aggregate sum of time and demand 25 26 deposits held in each such financial institution on December 31; and (c) the highest balance held at any time during such reporting 27 period((+ PROVIDED, That)). The state treasurer shall disclose the 28 highest balance information only upon <u>a public records</u> request under 29 30 chapter 42.56 RCW. The statement or report required by this section 31 shall be filed either with the statement required under RCW 42.17.240 (as recodified by this act) or separately. 32

33 <u>NEW SECTION.</u> Sec. 703. No state-elected official or municipal 34 officer may speak or appear in a public service announcement that is 35 broadcast, shown, or distributed in any form whatsoever during the 36 period beginning January 1st and continuing through the general

election if that official or officer is a candidate. If the official 1 2 or officer does not control the broadcast, showing, or distribution of a public service announcement in which he or she speaks or appears, 3 then the official or officer shall contractually limit the use of the 4 public service announcement to be consistent with this section prior to 5 participating in the public service announcement. This section does 6 7 not apply to public service announcements that are part of the regular duties of the office that only mention or visually display the office 8 9 or office seal or logo and do not mention or visually display the name of the official or officer in the announcement. 10

PART 8 LOBBYING DISCLOSURE AND RESTRICTIONS

13 Sec. 801. RCW 42.17.150 and 1987 c 201 s 1 are each amended to 14 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:

20 (a) ((His)) <u>The lobbyist's</u> name, permanent business address, and 21 any temporary residential and business addresses in Thurston county 22 during the legislative session;

23 (b) The name, address and occupation or business of the lobbyist's 24 employer;

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

26 (d) ((His)) <u>The</u> compensation <u>to be received</u> for lobbying((*i*-how 27 much he is)), the amount to be paid for expenses, and what expenses are 28 to be reimbursed;

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

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

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

3 (h) The name and address of the person who will have custody of the 4 accounts, bills, receipts, books, papers, and documents required to be 5 kept under this chapter;

(i) If the lobbyist's employer is an entity (including, but not 6 7 limited to, business and trade associations) whose members include, or which as a representative entity undertakes lobbying activities for, 8 businesses, groups, associations, or organizations, the name and 9 address of each member of such entity or person represented by such 10 entity whose fees, dues, payments, or other consideration paid to such 11 12 entity during either of the prior two years have exceeded five hundred 13 dollars or who is obligated to or has agreed to pay fees, dues, 14 payments, or other consideration exceeding five hundred dollars to such entity during the current year. 15

(2) Any lobbyist who receives or is to receive compensation from 16 17 more than one person for ((his services as a lobbyist)) lobbying shall file a separate notice of representation ((with respect to)) for each 18 19 ((such)) person((; except that where a lobbyist whose fee for acting as such in respect to the same legislation or type of legislation is, or 20 21 is-to-be, paid-or-contributed-to-by-more-than-one-person-then-such 22 lobbyist-may-file-a-single-statement,-in-which-he-shall-detail-the 23 name, -business-address-and-occupation-of-each-person-so-paying-or 24 contributing, - and - the - amount - of - the - respective - payments - or 25 contributions-made-by-each-such-person)). However, if two or more 26 persons are jointly paying or contributing to the payment of the 27 lobbyist, the lobbyist may file a single statement detailing the name, business address, and occupation of each person paying or contributing 28 and the respective amounts to be paid or contributed. 29

30 (3) Whenever a change, modification, or termination of the 31 lobbyist's employment occurs, the lobbyist shall((τ)) <u>file_with_the</u> 32 <u>commission_an_amended_registration_statement</u> within one week of 33 ((such)) <u>the</u> change, modification, or termination($(\tau - furnish - full)$ 34 <u>information regarding the same by filing with the commission an amended</u> 35 <u>registration statement</u>)).

36 (4) Each <u>registered</u> lobbyist ((who has registered)) shall file a 37 new registration statement, revised as appropriate, on the second Monday in January of each odd-numbered year((, and)). Failure to do so ((shall)) terminates ((his)) the lobbyist's registration.

3 sec. 802. RCW 42.17.155 and 1995 c 397 s 6 are each amended to 4 read as follows:

Each lobbyist shall at the time he or she registers submit to the 5 6 commission a recent photograph of himself or herself of a size and 7 format as determined by rule of the commission, together with the name of the lobbyist's employer, the length of his or her employment as a 8 lobbyist before the legislature, a brief biographical description, and 9 any other information he or she may wish to submit not to exceed fifty 10 11 words in length. ((Such)) The photograph and information shall be 12 published by the commission at least biennially in a booklet form ((by the commission)) for distribution to legislators and the public. 13

14 **Sec. 803.** RCW 42.17.160 and 1998 c 55 s 3 are each amended to read 15 as follows:

16 The following persons and activities ((shall be)) are exempt from 17 registration and reporting under RCW 42.17.150, 42.17.170, and 18 42.17.200 (as recodified by this act):

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

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

(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;

28 (4) Persons who lobby without compensation or other consideration 29 for acting as a lobbyist((: PROVIDED, Such)), if the person makes no 30 expenditure for or on behalf of any member of the legislature or elected official or public officer or employee of the state of 31 Washington in connection with such lobbying. The exemption contained 32 in this subsection is intended to permit and encourage citizens of this 33 34 state to lobby any legislator, public official, or state agency without 35 incurring any registration or reporting obligation provided they do not

1 exceed the limits stated above. Any person exempt under this 2 subsection (4) may at his or her option register and report under this 3 chapter;

(5) Persons who restrict their lobbying activities to no more than 4 5 four days or parts ((thereof)) of four days during any three-month period and whose total expenditures during such three-month period for 6 7 or on behalf of any one or more members of the legislature or state elected officials or public officers or employees of the state of 8 9 Washington in connection with such lobbying do not exceed twenty-five dollars((: <u>PROVIDED</u>, - <u>That</u>)). <u>The</u> commission shall ((promulgate 10 regulations)) adopt rules to require disclosure by persons exempt under 11 12 this subsection or their employers or entities which sponsor or coordinate the lobbying activities of such persons if it determines 13 14 that such regulations are necessary to prevent frustration of the purposes of this chapter. Any person exempt under this subsection (5) 15 16 may at his or her option register and report under this chapter;

17 (6) The governor;

18

(7) The lieutenant governor;

19 (8) Except as provided by RCW 42.17.190(1) (as recodified by this 20 act), members of the legislature;

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

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

27 **Sec. 804.** RCW 42.17.170 and 1995 c 397 s 33 are each amended to 28 read as follows:

(1) Any lobbyist registered under RCW 42.17.150 (as recodified by 29 30 this act) and any person who lobbies shall file with the commission 31 ((periodic)) monthly reports of his or her lobbying activities ((signed by the lobbyist)). The reports shall be made in the form and manner 32 prescribed by the commission and <u>must be signed by the lobbyist</u>. 33 ((They shall be due monthly and)) The monthly report shall be filed 34 within fifteen days after the last day of the calendar month covered by 35 36 the report.

37

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

(a) The totals of all expenditures for lobbying activities made or 1 2 incurred by ((such)) the lobbyist or on behalf of ((such)) the lobbyist by the lobbyist's employer during the period covered by the report. 3 ((Such)) Expenditure totals for lobbying activities shall be segregated 4 5 according to financial category, including compensation; food and refreshments; living accommodations; advertising; б travel; 7 contributions; and other expenses or services. Each individual expenditure of more than twenty-five dollars for entertainment shall be 8 identified by date, place, amount, and the names of all persons ((in 9 10 the group partaking in or of such)) taking part in the entertainment, along with the dollar amount attributable to each person, including 11 12 ((any portion thereof attributable to)) the lobbyist's ((participation 13 therein, -and -shall-include-amounts-actually-expended-on-each-person 14 where-calculable,-or-allocating-any-portion-of-the-expenditure-to individual participants. 15 16 Notwithstanding the foregoing, lobbyists are not required to report 17 the following:

(i) Unreimbursed personal living and travel expenses not incurred 18 directly for lobbying; 19

(ii) - Any - expenses - incurred - for - his - or - her - own - living 20 21 accommodations;

22 (iii) Any expenses incurred for his or her own travel to and from 23 hearings of the legislature;

24 (iv) Any expenses incurred for telephone, and any office expenses, 25 including rent and salaries and wages paid for staff and secretarial assistance)) portion. 26

27 (b) In the case of a lobbyist employed by more than one employer, the proportionate amount of ((such)) expenditures in each category 28 incurred on behalf of each of ((his)) the lobbyist's employers. 29

(c) An itemized listing of each ((such expenditure)) contribution 30 31 of money or of tangible or intangible personal property, whether 32 contributed by the lobbyist personally or delivered or transmitted by the lobbyist, ((in the nature of a contribution of money or of tangible 33 or intangible personal property)) to any candidate, elected official, 34 or officer or employee of any agency, or any political committee 35 supporting or opposing any ballot proposition, or for or on behalf of 36 37 any candidate, elected official, or officer or employee of any agency, 38 or any political committee supporting or opposing any ballot

proposition. All contributions made to, or for the benefit of, any candidate, elected official, or officer or employee of any agency, or any political committee supporting or opposing any ballot proposition shall be identified by date, amount, and the name of the candidate, elected official, or officer or employee of any agency, or any political committee supporting or opposing any ballot proposition receiving, or to be benefited by each such contribution.

8 (d) The subject matter of proposed legislation or other legislative 9 activity or rule((-)) making under chapter 34.05 RCW, the state 10 <u>a</u>dministrative procedure <u>a</u>ct, and the state agency considering the 11 same, which the lobbyist has been engaged in supporting or opposing 12 during the reporting period, unless exempt under RCW 42.17.160(2) (as 13 recodified by this act).

14 (e) ((Such other information relevant to lobbying activities as the 15 commission-shall-by-rule-prescribe. Information-supporting-such 16 activities as are required to be reported is subject to audit by the 17 commission.

18 (f)) A listing of each payment for an item specified in RCW 19 42.52.150(5) in excess of fifty dollars and each item specified in RCW 20 42.52.010(((9))) (10) (d) and (f) made to a state elected official, 21 state officer, or state employee. Each item shall be identified by 22 recipient, date, and approximate value of the item.

23 (((g))) <u>(f)</u> The total expenditures ((made)) paid or incurred during 24 the reporting period by the lobbyist for lobbying purposes, whether 25 through or on behalf of a lobbyist or otherwise((. As used in this subsection, "expenditures" includes amounts paid or incurred during the 26 reporting period)), for (i) political advertising as defined in RCW 27 42.17.020 (as recodified by this act); and (ii) public relations, 28 telemarketing, polling, or similar activities if 29 ((such)) the activities, directly or indirectly, are intended, designed, 30 or calculated to influence legislation or the adoption or rejection of a 31 32 rule, standard, or rate by an agency under the administrative procedure act. The report shall specify the amount, the person to whom the 33 amount was paid, and a brief description of the activity. 34

35 (3) ((If a state elected official or a member of such an official's 36 immediate family is identified by a lobbyist in such a report as having 37 received from the lobbyist an item specified in RCW 42.52.150(5) or 38 42.52.010(9) (d) or (f), the lobbyist shall transmit to the official a 1 copy of the completed form used to identify the item in the report at

2 the same time the report is filed with the commission)) Lobbyists are 3 not required to report the following:

4 (a) Unreimbursed personal living and travel expenses not incurred
5 directly for lobbying;

(b) Any expenses incurred for his or her own living accommodations;
 (c) Any expenses incurred for his or her own travel to and from
 hearings of the legislature;

9 (d) Any expenses incurred for telephone, and any office expenses, 10 including rent and salaries and wages paid for staff and secretarial 11 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.

15 Sec. 805. RCW 42.17.172 and 1993 c 2 s 32 are each amended to read 16 as follows:

17 (1) When a listing or a report of contributions is made to the 18 commission under RCW 42.17.170(2)(c) (as recodified by this act), a 19 copy of the listing or report must be given to the candidate, elected 20 official, professional staff member of the legislature, or officer or 21 employee of an agency, or a political committee supporting or opposing 22 a ballot proposition named in the listing or report.

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

29 Sec. 806. RCW 42.17.175 and 2001 c 54 s 3 are each amended to read 30 as follows:

Any lobbyist registered under RCW 42.17.150 (as recodified by this act), any person who lobbies, and any lobbyist's employer making a contribution or an aggregate of contributions to a single entity that is one thousand dollars or more during a special reporting period, as <u>specified in RCW 42.17.105 (as recodified by this act)</u>, before a primary or general election((, -as such period is specified in RCW

42.17.105(1),)) shall file one or more special reports ((for-the 1 2 contribution — or — aggregate — of — contributions — and — for — subsequent contributions made during that period under the same circumstances)) in 3 the same manner and to the same extent that a contributing political 4 5 committee must file ((such a report or reports)) under RCW 42.17.105 (as recodified by this act). ((Such a special report shall be filed in 6 7 the same manner provided under RCW 42.17.105 for a special report of a 8 contributing political committee.))

9 Sec. 807. RCW 42.17.180 and 1993 c 2 s 27 are each amended to read 10 as follows:

(1) Every employer of a lobbyist registered under this chapter 11 12 during the preceding calendar year and every person other than an individual that made contributions aggregating to more than ((ten)) 13 sixteen thousand dollars or independent expenditures aggregating to 14 15 more than ((five)) eight hundred dollars during the preceding calendar 16 year shall file with the commission on or before the last day of 17 February of each year a statement disclosing for the preceding calendar 18 year the following information:

(a) The name of each state elected official and the name of each 19 20 candidate for state office who was elected to the office and any member of the immediate family of those persons to whom the person reporting 21 22 has paid any compensation in the amount of ((five)) eight hundred 23 dollars or more during the preceding calendar year for personal 24 employment or professional services, including professional services rendered by a corporation, partnership, joint venture, association, 25 26 union, or other entity in which the person holds any office, 27 directorship, or any general partnership interest, or an ownership interest of ten percent or more, the value of the compensation in 28 29 accordance with the reporting provisions set out in RCW 42.17.241(2) 30 (as recodified by this act), and the consideration given or performed 31 in exchange for the compensation.

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

5 (c) The total expenditures made by the person reporting for 6 lobbying purposes, whether through or on behalf of a registered 7 lobbyist or otherwise.

8 (d) All contributions made to a political committee supporting or 9 opposing a candidate for state office, or to a political committee 10 supporting or opposing a statewide ballot proposition. Such 11 contributions shall be identified by the name and the address of the 12 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.

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

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

25 (2)(a) Except as provided in (b) of this subsection, an employer of a lobbyist registered under this chapter shall file a special report 26 27 with the commission if the employer makes a contribution or contributions aggregating more than one hundred dollars in a calendar 28 month to any one of the following: A candidate, elected official, 29 officer or employee of an agency, or political committee. The report 30 shall identify the date and amount of each such contribution and the 31 32 name of the candidate, elected official, agency officer or employee, or political committee receiving the contribution or to be benefited by 33 the contribution. The report shall be filed on a form prescribed by 34 the commission and shall be filed within fifteen days after the last 35 day of the calendar month during which the contribution was made. 36

37 (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).

3 sec. 808. RCW 42.17.190 and 1995 c 397 s 7 are each amended to 4 read as follows:

5 (1) The house of representatives and the senate shall report 6 annually: The total budget; the portion of the total attributed to 7 staff; and the number of full-time and part-time staff positions by 8 assignment, with dollar figures as well as number of positions.

(2) Unless authorized by subsection (3) of this section or 9 otherwise expressly authorized by law, no public funds may be used 10 11 directly or indirectly for lobbying((: PROVIDED)). However, this does 12 not prevent officers or employees of an agency from communicating with a member of the legislature on the request of that member; or 13 communicating to the legislature, through the proper official channels, 14 15 requests for legislative action or appropriations ((which)) that are 16 deemed necessary for the efficient conduct of the public business or 17 actually made in the proper performance of their official duties((+ PROVIDED-FURTHER, -That)). This subsection does not apply to the 18 19 legislative branch.

20 (3) Any agency, not otherwise expressly authorized by law, may 21 expend public funds for lobbying, but such lobbying activity shall be limited to (a) providing information or communicating on matters 22 23 pertaining to official agency business to any elected official or 24 officer or employee of any agency or (b) advocating the official position or interests of the agency to any elected official or officer 25 26 or employee of any agency((+ PROVIDED, That)). Public funds may not 27 be expended as a direct or indirect gift or campaign contribution to any elected official or officer or employee of any agency. For the 28 purposes of this subsection, ((the-term)) "gift" means a voluntary 29 transfer of any thing of value without consideration of equal or 30 31 greater value, but does not include informational material transferred for the sole purpose of informing the recipient about matters 32 pertaining to official agency business. This section does not permit 33 the printing of a state publication ((which)) that has been otherwise 34 35 prohibited by law.

36 (4) No elective official or any employee of his or her office or 37 any person appointed to or employed by any public office or agency may use or authorize the use of any of the facilities of a public office or agency, directly or indirectly, in any effort to support or oppose an 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 act) and 42.52.180. The provisions of this subsection shall not apply to the following activities:

7 (a) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote 8 9 upon a motion, proposal, resolution, order, or ordinance, or to support 10 or oppose an initiative to the legislature so long as (i) any required notice of the meeting includes the title and number of the initiative 11 to the legislature, and (ii) members of the legislative body or members 12 13 of the public are afforded an approximately equal opportunity for the 14 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;

18 (c) Activities ((which)) that are part of the normal and regular 19 conduct of the office or agency;

(d) Activities conducted regarding an initiative to the legislature
that would be permitted under RCW 42.17.130 (as recodified by this act)
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:

28

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

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

33 (c) A listing of expenditures incurred by the agency for lobbying 34 including but not limited to travel, consultant or other special 35 contractual services, and brochures and other publications, the 36 principal purpose of which is to influence legislation;

37 (d) For purposes of this subsection ((the term)), "lobbying" does 38 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;

5 (ii) Recommendations or reports to the legislature in response to 6 a legislative request expressly requesting or directing a specific 7 study, recommendation, or report by an agency on a particular subject;

8 (iii) Official reports including recommendations submitted to the 9 legislature on an annual or biennial basis by a state agency as 10 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:

14 (A) Telephone conversations or preparation of written 15 correspondence;

(B) In-person lobbying on behalf of an agency of no more than four 16 17 days or parts thereof during any three-month period by officers or employees of that agency and in-person lobbying by any elected official 18 of such agency on behalf of such agency or in connection with the 19 powers, duties, or compensation of such official((: PROVIDED, That)). 20 21 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 22 23 or state elected officials or public officers or employees of the state of Washington ((do)) may not exceed fifteen dollars for any three-month 24 period((+ PROVIDED-FURTHER,-That)). The exemption under this 25 subsection (5)(d)(v)(B) is in addition to the exemption provided in 26 27 (d)(v)(A) of this subsection;

28

13

(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.

32 (6) In lieu of reporting under subsection (5) of this section, any 33 county, city, town, municipal corporation, quasi municipal corporation, 34 or special purpose district may determine and so notify the public 35 disclosure commission((-)) that elected officials, officers, or 36 employees who, on behalf of any such local agency, engage in lobbying 37 reportable under subsection (5) of this section shall register and 38 report such reportable lobbying in the same manner as a lobbyist who is 1 required to register and report under RCW 42.17.150 and 42.17.170 (as 2 recodified by this act). Each such local agency shall report as a 3 lobbyist employer pursuant to RCW 42.17.180 (as recodified by this 4 act).

5 (7) The provisions of this section do not relieve any elected 6 official or officer or employee of an agency from complying with other 7 provisions of this chapter, if such elected official, officer, or 8 employee is not otherwise exempted.

(8) The purpose of this section is to require each state agency and 9 10 certain local agencies to report the identities of those persons who lobby on behalf of the agency for compensation, together with certain 11 12 separately identifiable and measurable expenditures of an agency's 13 funds for that purpose. This section shall be reasonably construed to 14 accomplish that purpose and not to require any agency to report any of its general overhead cost or any other costs ((which)) that relate only 15 16 indirectly or incidentally to lobbying or ((which)) that are equally 17 attributable to or inseparable from nonlobbying activities of the 18 agency.

19 The public disclosure commission may adopt rules clarifying and 20 implementing this legislative interpretation and policy.

21 **Sec. 809.** RCW 42.17.200 and 1990 c 139 s 5 are each amended to 22 read as follows:

23 (1) Any person who has made expenditures, not reported by a 24 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 25 26 (as recodified by this act), exceeding ((five hundred)) one thousand 27 dollars in the aggregate within any three-month period or exceeding ((two)) five hundred dollars in the aggregate within any one-month 28 period in presenting a program ((addressed)) to the public, a 29 substantial portion of which is intended, designed, or calculated 30 31 primarily to influence legislation shall ((be required to)) register and report, as provided in subsection (2) of this section, as a sponsor 32 33 of a grass roots lobbying campaign.

34 (2) Within thirty days after becoming a sponsor of a grass roots 35 lobbying campaign, the sponsor shall register by filing with the 36 commission a registration statement, in such detail as the commission 37 shall prescribe, showing:

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

5 (b) The names, addresses, and business or occupation of all persons 6 organizing and managing the campaign, or hired to assist the campaign, 7 including any public relations or advertising firms participating in 8 the campaign, and the terms of compensation for all such persons;

9 (c) The names and addresses of each person contributing twenty-five 10 dollars 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;

14 (e) The totals of all expenditures made or incurred to date on behalf of the campaign((, which totals shall be)) segregated according 15 to financial category, including but not limited to the following: 16 17 Advertising, segregated by media, and in the case of large expenditures (as provided by rule of the commission), by outlet; contributions; 18 entertainment, including food and refreshments; office expenses 19 including rent and the salaries and wages paid for staff and 20 21 secretarial assistance, or the proportionate amount ((thereof)) paid or 22 incurred for lobbying campaign activities; consultants; and printing 23 and mailing expenses.

24 (3) Every sponsor who has registered under this section shall file 25 monthly reports with the commission((, which reports shall be filed)) by the tenth day of the month for the activity during the preceding 26 27 month. The reports shall update the information contained in the sponsor's registration statement and in prior reports and shall show 28 contributions received and totals of expenditures made during the 29 month, in the same manner as provided for in the registration 30 31 statement.

32 (4) When the campaign has been terminated, the sponsor shall file 33 a notice of termination with the final monthly report($(\tau - \text{which}$ 34 notice)). The final report shall state the totals of all contributions 35 and expenditures made on behalf of the campaign, in the same manner as 36 provided for in the registration statement. 1 Sec. 810. RCW 42.17.210 and 1973 c 1 s 21 are each amended to read
2 as follows:

If any person registered or required to be registered as a lobbyist 3 4 ((under this chapter employs)), or ((if)) any employer of any person 5 registered or required to be registered as a lobbyist ((under-this chapter)), employs ((any)) a member or an employee of the legislature, 6 ((or any)) <u>a</u> member of ((any)) <u>a</u> state board or commission, ((or any 7 employee of the legislature,)) or ((any)) a full-time state employee, 8 9 ((if-such)) and that new employee ((shall)) remains in the partial 10 employ of the state ((or any agency thereof, then)), the new employer ((shall)) must file within fifteen days after employment a statement 11 ((under oath)) with the commission, signed under oath, setting out the 12 13 nature of the employment, the name of the person ((to-be-paid 14 thereunder)) employed, and the amount of pay or consideration ((to be paid-thereunder. The-statement-shall-be-filed-within-fifteen-days 15 16 after the commencement of such employment)).

17 **Sec. 811.** RCW 42.17.220 and 1973 c 1 s 22 are each amended to read 18 as follows:

19 It ((shall be)) <u>is</u> a violation of this chapter for any person to 20 employ for pay or any consideration, or pay or agree to pay any 21 consideration to, a person to lobby who is not registered under this 22 chapter except upon <u>the</u> condition that such <u>a</u> person <u>must</u> register as 23 a lobbyist as provided by this chapter((, and such person does in fact 24 so register as soon as practicable)).

25 **Sec. 812.** RCW 42.17.230 and 1987 c 201 s 2 are each amended to 26 read as follows:

27 (1) A person required to register as a lobbyist under ((this 28 chapter-shall-also-have-the-following-obligations, the-violation-of 29 which shall constitute cause for revocation of his registration, and 30 may subject such person, and such person's employer, if such employer 31 aids, -abets, -ratifies, -or - confirms - any - such - act, -to - other - civil 32 liabilities, as provided by this chapter:

33 (1) Such persons shall obtain and preserve all)) <u>RCW 42.17.150 (as</u> 34 recodified by this act) shall substantiate financial reports required 35 to be made under this chapter with accounts, bills, receipts, books, 36 papers, and <u>other necessary</u> documents ((necessary to substantiate the

financial reports required to be made under this chapter)). All such 1 2 documents must be obtained and preserved for a period of at least five years from the date of ((the)) filing ((of)) the statement containing 3 such items((--which-accounts,-bills,-receipts,-books,-papers,-and 4 5 documents)) and shall be made available for inspection by the commission at any time((: PROVIDED, That if a lobbyist is required 6 7 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 8 9 employer, responsibility for the preservation and inspection of ((such)) these records under this subsection shall ((rest)) be with 10 11 such employer.

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

14 (a) Engage in any <u>lobbying</u> activity ((as-a-lobbyist)) before 15 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;

19 (c) Cause or influence the introduction of ((any)) <u>a</u> bill or 20 amendment ((thereto)) to that bill for the purpose of ((thereafter)) 21 <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));

(e) Exercise any undue influence, extortion, or unlawful retaliation upon any legislator ((by-reason-of-such)) <u>due to the</u> legislator's position ((with respect to, or his vote upon,)) <u>or vote on</u> any pending or proposed legislation;

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

36 (3) A violation by a lobbyist of this section shall be cause for 37 revocation of his or her registration, and may subject the lobbyist and

the lobbyist's employer, if the employer aids, abets, ratifies, or 1 2 confirms the violation, to other civil liabilities as provided by this

3 chapter.

PART 9

4 5 6

PERSONAL FINANCIAL AFFAIRS REPORTING BY CANDIDATES AND PUBLIC OFFICIALS

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

(1) After January 1st and before April 15th of each year, every 9 elected official and every executive state officer shall ((after 10 11 January-1st-and-before-April-15th-of-each-year)) file with the 12 commission a statement of financial affairs for the preceding calendar However, any local elected official whose term of office 13 vear. ((expires-immediately-after)) ends on December 31st shall file the 14 15 statement required to be filed by this section for the final year ((that ended on that December 31st)) of his or her term. 16

(2) Within two weeks of becoming a candidate, every candidate shall 17 ((within two weeks of becoming a candidate)) file with the commission 18 a statement of financial affairs for the preceding twelve months. 19

(3) <u>Within two weeks of appointment, every person appointed to a</u> 20 vacancy in an elective office or executive state officer position shall 21 22 ((within two weeks of being so appointed)) file with the commission a 23 statement of financial affairs for the preceding twelve months.

(4) A statement of a candidate or appointee filed during the period 24 25 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 26 if the filing of the statement would relieve the individual of a prior 27 obligation to file a statement covering the entire preceding calendar 28 29 year.

30 (5) No individual may be required to file more than once in any 31 calendar year.

(6) Each statement of financial affairs filed under this section 32 shall be sworn as to its truth and accuracy. 33

34 (7) Every elected official and every executive state officer shall 35 file with their statement of financial affairs a statement certifying 1 that they have read and are familiar with RCW 42.17.130 (as recodified 2 by this act) or 42.52.180, whichever is applicable.

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

5 (9) This section does not apply to incumbents or candidates for a 6 federal office or the office of precinct committee officer.

7 Sec. 902. RCW 42.17.2401 and 2009 c 565 s 24 are each amended to 8 read as follows:

9 For the purposes of RCW 42.17.240 (as recodified by this act), 10 ((the term)) "executive state officer" includes:

(1)The chief administrative law judge, the director 11 of agriculture, ((the administrator of the Washington basic health plan,)) 12 the director of the department of services for the blind, the director 13 of the state system of community and technical colleges, the director 14 15 of commerce, the secretary of corrections, the director of early 16 learning, the director of ecology, the commissioner of employment 17 security, the chair of the energy facility site evaluation council, the secretary of the state finance committee, the director of financial 18 management, the director of fish and wildlife, the executive secretary 19 of the forest practices appeals board, the director of the gambling 20 21 commission, the director of general administration, the secretary of 22 health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities 23 24 authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the 25 26 executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the director of 27 the department of information services, the executive director of the 28 state investment board, the director of labor and industries, the 29 30 director of licensing, the director of the lottery commission, the 31 director of the office of minority and women's business enterprises, the director of parks and recreation, the director of personnel, the 32 executive director of the public disclosure commission, the executive 33 director of the Puget Sound partnership, the director of the recreation 34 and conservation office, the director of retirement systems, the 35 36 director of revenue, the secretary of social and health services, the 37 chief of the Washington state patrol, the executive secretary of the

board of tax appeals, the secretary of transportation, the secretary of the utilities and transportation commission, the director of veterans affairs, the president of each of the regional and state universities and the president of The Evergreen State College, and each district and each campus president of each state community college;

6 7 (2) Each professional staff member of the office of the governor;

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

(4) Central Washington University board of trustees, the boards of 8 trustees of each community college and each technical college, each 9 10 member of the state board for community and technical colleges, state convention and trade center board of directors, ((committee-for 11 12 deferred — compensation,)) Eastern Washington University board of 13 trustees, Washington economic development finance authority, The 14 Evergreen State College board of trustees, executive ethics board, forest practices appeals board, forest practices board, gambling 15 commission, life sciences discovery fund authority board of trustees, 16 17 Washington health care facilities authority, ((each-member-of-the Washington health services commission,)) higher education coordinating 18 board, higher education facilities authority, horse racing commission, 19 finance commission, 20 state housing human rights commission, 21 indeterminate sentence review board, board of industrial insurance appeals, information services board, ((recreation-and-conservation 22 funding-board,)) state investment board, commission on judicial 23 24 conduct, legislative ethics board, liquor control board, lottery 25 commission, ((marine-oversight-board,)) Pacific Northwest electric power and conservation planning council, parks 26 and recreation 27 commission, board of pilotage commissioners, pollution control hearings board, public disclosure commission, ((public-pension-commission,)) 28 shorelines hearings board, public employees' benefits board, recreation 29 and conservation funding board, salmon recovery funding board, board of 30 31 tax appeals, transportation commission, University of Washington board 32 of regents, utilities and transportation commission, ((Washington state maritime commission,)) Washington personnel resources board, Washington 33 34 ((public-power-supply-system)) <u>energy_northwest</u> executive board, Washington State University board of regents, Western Washington 35 36 University board of trustees, and fish and wildlife commission.

1 Sec. 903. RCW 42.17.241 and 2008 c 6 s 202 are each amended to
2 read as follows:

3 (1) The statement of financial affairs required by RCW 42.17.240
4 <u>(as recodified by this act)</u> shall disclose <u>the following information</u>
5 for the reporting individual and each member of his or her immediate
6 family:

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

(b) Each bank ((or)) account, savings account ((or)), and insurance 8 9 policy in which ((any such person or persons owned)) a direct financial interest ((that exceeded five)) was held that exceeds twenty thousand 10 dollars at any time during the reporting period; each other item of 11 intangible personal property in which ((any-such-person-or-persons 12 13 owned)) a direct financial interest((, the value of which exceeded five 14 hundred)) was held that exceeds two thousand dollars during the reporting period; the name, address, and nature of the entity; and the 15 nature and highest value of each ((such)) direct financial interest 16 17 during the reporting period; ((and))

(c) The name and address of each creditor to whom the value of 18 ((five hundred)) two thousand dollars or more was owed; the original 19 amount of each debt to each ((such)) creditor; the amount of each debt 20 21 owed to each creditor as of the date of filing; the terms of repayment 22 of each ((such)) debt; and the security given, if any, for each such debt((: PROVIDED,-That)). <u>D</u>ebts arising ((out-of)) <u>from</u> a "retail 23 24 installment transaction" as defined in chapter 63.14 RCW (retail 25 installment sales act) need not be reported; ((and))

26 (d) Every public or private office, directorship, and position held 27 as trustee; ((and))

(e) All persons for whom any legislation, rule, rate, or standard 28 has been prepared, promoted, or opposed for current or deferred 29 compensation((: PROVIDED, — That)). <u>F</u>or the purposes 30 of this 31 subsection, "compensation" does not include payments made to the person 32 reporting by the governmental entity for which ((such)) the person as an elected official or state executive officer 33 serves or professional staff member for his or her service in office; the 34 description of such actual or proposed legislation, rules, rates, or 35 standards; and the amount of current or deferred compensation paid or 36 37 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))

7 The name of any corporation, partnership, joint venture, (q) association, union, or other entity in which is held any office, 8 9 directorship, or any general partnership interest, or an ownership 10 interest of ten percent or more; the name or title of that office, directorship, or partnership; the nature of ownership interest; and 11 ((with - respect - to - each - such - entity)): (i) With respect to a 12 13 governmental unit in which the official seeks or holds any office or 14 position, if the entity has received compensation in any form during the preceding twelve months from the governmental unit, the value of 15 16 the compensation and the consideration given or performed in exchange 17 for the compensation; and (ii) the name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, 18 association, union, or other business or commercial entity from which 19 20 the entity has received compensation in any form in the amount of ((two 21 thousand -five - hundred)) ten thousand dollars or more during the 22 preceding twelve months and the consideration given or performed in exchange for the compensation((: PROVIDED, That the term)). As used 23 24 in (g)(ii) of this subsection, "compensation" ((for purposes of this 25 subsection (1)(g)(ii))) does not include payment for water and other utility services at rates approved by the Washington state utilities 26 27 and transportation commission or the legislative authority of the public entity providing the service((: <u>PROVIDED</u>, -FURTHER, -That)). 28 With respect to any bank or commercial lending institution in which is 29 held any office, directorship, partnership interest, or ownership 30 31 interest, it shall only be necessary to report either the name, 32 address, and occupation of every director and officer of the bank or commercial lending institution and the average monthly balance of each 33 account held during the preceding twelve months by the bank or 34 commercial lending institution from the governmental entity for which 35 36 the individual is an official or candidate or professional staff 37 member, or all interest paid by a borrower on loans from and all

1 interest paid to a depositor by the bank or commercial lending 2 institution if the interest exceeds ((six)) two thousand four hundred 3 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))

(i) A list, including legal or other sufficient descriptions as 11 prescribed by the commission, of all real property in the state of 12 13 Washington, the assessed valuation of which exceeds ((two thousand five 14 hundred)) ten thousand dollars in which any direct financial interest was divested during the preceding calendar year, and a statement of the 15 16 amount and nature of the consideration received in exchange for that 17 interest, and the name and address of the person furnishing the consideration; ((and)) 18

(j) A list, including legal or other sufficient descriptions as 19 20 prescribed by the commission, of all real property in the state of 21 Washington, the assessed valuation of which exceeds ((two thousand five 22 hundred)) ten thousand dollars in which a direct financial interest was held((: PROVIDED, That)). If a description of the property has been 23 24 included in a report previously filed, the property may be listed, for 25 purposes of this ((provision)) subsection (1)(j), by reference to the previously filed report; ((and)) 26

27 (k) A list, including legal or other sufficient descriptions as prescribed by the commission, of all real property in the state of 28 Washington, the assessed valuation of which exceeds ((five)) twenty 29 which a corporation, partnership, 30 thousand dollars, in firm, enterprise, or other entity had a direct financial interest, in which 31 32 corporation, partnership, firm, or enterprise a ten percent or greater ownership interest was held; ((and)) 33

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

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(m) A list of each occasion, specifying date, donor, and amount, at

which items specified in RCW 42.52.010(10) (d) and (f) were accepted; and

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

(2) Where an amount is required to be reported under subsection 6 7 (1)(a) through (m) of this section, it shall be sufficient to comply with the requirement to report whether the amount is less than ((one)) 8 four thousand dollars, at least ((one)) four thousand dollars but less 9 10 than ((five)) twenty thousand dollars, at least ((five)) twenty thousand dollars but less than ((ten)) forty thousand dollars, at least 11 12 ((ten)) forty thousand dollars but less than ((twenty five)) one 13 <u>hundred</u> thousand dollars, or ((twenty-five)) <u>one hundred</u> thousand 14 dollars or more. An amount of stock may be reported by number of shares instead of by market value. No provision of this subsection may 15 16 be interpreted to prevent any person from filing more information or 17 more detailed information than required.

18 (3) Items of value given to an official's or employee's spouse, 19 domestic partner, or family member are attributable to the official or 20 employee, except the item is not attributable if an independent 21 business, family, or social relationship exists between the donor and 22 the spouse, domestic partner, or family member.

23 Sec. 904. RCW 42.17.242 and 1977 ex.s. c 336 s 4 are each amended 24 to read as follows:

No payment shall be made to any person required to report under RCW 25 26 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, 27 anonymously, or by one person through an agent, relative, or other 28 person in such a manner as to conceal the identity of the source of the 29 30 payment or in any other manner so as to effect concealment ((except 31 that)). The commission may issue categorical and specific exemptions to the reporting of the actual source when there is an undisclosed 32 33 principal for recognized legitimate business purposes.

34

PART 10 ENFORCEMENT

35

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

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

(1) If the court finds that the violation of any provision of this 6 7 chapter by any candidate or political committee probably affected the outcome of any election, the result of ((said)) that election may be 8 held void and a special election held within sixty days of ((such)) the 9 10 finding. Any action to void an election shall be commenced within one year of the date of the election in question. It is intended that this 11 12 remedy be imposed freely in all appropriate cases to protect the right 13 of the electorate to an informed and knowledgeable vote.

14 (2) If any lobbyist or sponsor of any grass roots lobbying campaign 15 violates any of the provisions of this chapter, his or her registration 16 may be revoked or suspended and he or she may be enjoined from 17 receiving compensation or making expenditures for lobbying((÷ 18 PROVIDED, HOWEVER, That)). The imposition of ((such)) a sanction shall 19 not excuse ((said)) the lobbyist from filing statements and reports 20 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.

27 (4) ((Any)) <u>A</u> person who fails to file a properly completed 28 statement or report within the time required by this chapter may be 29 subject to a civil penalty of ten dollars per day for each day each 30 ((such)) delinquency continues.

31 (5) ((Any)) <u>A</u> person who fails to report a contribution or 32 expenditure as required by this chapter may be subject to a civil 33 penalty equivalent to the amount not reported as required.

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

1 **Sec. 1002.** RCW 42.17.395 and 2006 c 315 s 3 are each amended to 2 read as follows:

3 (1) The commission may (a) determine whether an actual violation of 4 this chapter has occurred; and (b) issue and enforce an appropriate 5 order following such <u>a</u> determination.

6 (2) The commission, in cases where it chooses to determine whether 7 an actual violation has occurred, shall hold a hearing pursuant to the 8 <u>a</u>dministrative <u>procedure act</u>, chapter 34.05 RCW, to make ((such)) <u>a</u> 9 determination. Any order that the commission issues under this section 10 shall be pursuant to such <u>a</u> hearing.

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

(4) The person against whom an order is directed under this section 15 16 shall be designated as the respondent. The order may require the 17 respondent to cease and desist from the activity that constitutes a violation and in addition, or alternatively, may impose one or more of 18 19 the remedies provided in RCW 42.17.390 (2) through (5) (as recodified 20 by this act). No individual penalty assessed by the commission may 21 exceed one thousand seven hundred dollars, and in any case where 22 multiple violations are involved in a single complaint or hearing, the 23 maximum aggregate penalty may not exceed four thousand two hundred 24 dollars.

25 (5) An order issued by the commission under this section shall be subject to judicial review under the administrative procedure act, 26 chapter 34.05 RCW. If the commission's order is not satisfied and no 27 petition for review is filed within thirty days ((as provided in RCW 28 34.05.542), the commission may petition a court of competent 29 jurisdiction of any county in which a petition for review could be 30 31 filed under that section, for an order of enforcement. Proceedings in 32 connection with the commission's petition shall be in accordance with RCW 42.17.397 (as recodified by this act). 33

34 Sec. 1003. RCW 42.17.397 and 1989 c 175 s 92 are each amended to 35 read as follows:

36 The following procedure shall apply in all cases where the

commission has petitioned a court of competent jurisdiction for 1 2 enforcement of any order it has issued pursuant to this chapter:

(1) A copy of the petition shall be served by certified mail 3 directed to the respondent at his or her last known address. The court 4 5 shall issue an order directing the respondent to appear at a time designated in the order, not less than five days from the date thereof, б 7 and show cause why the commission's order should not be enforced 8 according to its terms.

(2) The commission's order shall be enforced by the court if the 9 respondent does not appear, or if the respondent appears and the court 10 finds, pursuant to a hearing held for that purpose: 11

12

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

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

(c) That the respondent's answer discloses no valid reason why the 14 commission's order should not be enforced or that the respondent had an 15 16 appropriate remedy by review under RCW 34.05.570(3) and failed to avail 17 himself or herself of that remedy without valid excuse.

18 (3) Upon appropriate application by the respondent, the court may, after hearing and for good cause, alter, amend, revise, suspend, or 19 20 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 21 for the court's actions shall be clearly stated in writing, and 22 23 ((such)) the action shall be subject to review by the appellate courts by certiorari or other appropriate proceeding. 24

25 (4) The court's order of enforcement, when entered, shall have the same force and effect as a civil judgment. 26

27 (5) Notwithstanding RCW 34.05.578 through 34.05.590, this section is the exclusive method for enforcing an order of the commission. 28

29 Sec. 1004. RCW 42.17.400 and 2007 c 455 s 1 are each amended to 30 read as follows:

31 (1) The attorney general and the prosecuting authorities of political subdivisions of this state may bring civil actions in the 32 name of the state for any appropriate civil remedy, including but not 33 limited to the special remedies provided in RCW 42.17.390 (as 34 recodified by this act). 35

36 (2) The attorney general and the prosecuting authorities of 37 political subdivisions of this state may investigate or cause to be

investigated the activities of any person who there is reason to 1 2 believe is or has been acting in violation of this chapter, and may require any such person or any other person reasonably believed to have 3 information concerning the activities of such person to appear at a 4 time and place designated in the county in which such person resides or 5 is found, to give such information under oath and to produce all 6 7 accounts, bills, receipts, books, paper and documents which may be relevant or material to any investigation authorized under this 8 9 chapter.

10 (3) When the attorney general or the prosecuting authority of any political subdivision of this state requires the attendance of any 11 12 person to obtain such information or ((the production of)) produce the 13 accounts, bills, receipts, books, papers, and documents ((which)) that 14 may be relevant or material to any investigation authorized under this chapter, he or she shall issue an order setting forth the time when and 15 the place where attendance is required and shall cause the same to be 16 17 delivered to or sent by registered mail to the person at least fourteen days before the date fixed for attendance. ((Such)) The order shall 18 have the same force and effect as a subpoena, shall be effective 19 statewide, and, upon application of the attorney general or ((said)) 20 21 the prosecuting authority, obedience to the order may be enforced by 22 any superior court judge in the county where the person receiving it resides or is found, in the same manner as though the order were a 23 24 subpoena. The court, after hearing, for good cause, and upon 25 application of any person aggrieved by the order, shall have the right to alter, amend, revise, suspend, or postpone all or any part of its 26 27 provisions. 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 28 clearly stated in writing, and ((such)) the action shall be subject to 29 review by the appellate courts by certiorari or other appropriate 30 31 proceeding.

32 (4) ((Any)) <u>A</u> person who has notified the attorney general and the 33 prosecuting attorney in the county in which the violation occurred in 34 writing that there is reason to believe that some provision of this 35 chapter is being or has been violated may himself <u>or herself</u> bring in 36 the name of the state any of the actions (hereinafter referred to as a 37 citizen's action) authorized under this chapter.

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

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

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

8 (iii) The attorney general and the prosecuting attorney have in 9 fact failed to bring such action within ten days of receipt of said 10 second notice; and

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

(b) If the person who brings the citizen's action prevails, the 13 judgment awarded shall escheat to the state, but he or she shall be 14 entitled to be reimbursed by the state of Washington for costs and 15 16 ((attorney's)) attorneys' fees he <u>or she</u> has incurred((+ PROVIDED, 17 That)). In the case of a citizen's action ((which)) that is dismissed 18 and ((which)) that the court also finds was brought without reasonable 19 cause, the court may order the person commencing the action to pay all 20 costs of trial and reasonable ((attorney's)) attorneys' fees incurred by the defendant. 21

22 (5) In any action brought under this section, the court may award 23 to the state all costs of investigation and trial, including ((a))reasonable ((attorney's)) <u>attorneys'</u> fee<u>s</u> to be fixed by the court. 24 Ιf 25 the violation is found to have been intentional, the amount of the 26 judgment, which shall for this purpose include the costs, may be 27 trebled as punitive damages. If damages or trebled damages are awarded in such an action brought against a lobbyist, the judgment may be 28 awarded against the lobbyist, and the lobbyist's employer or employers 29 joined as defendants, jointly, severally, or both. If the defendant 30 31 prevails, he or she shall be awarded all costs of trial, and may be 32 awarded ((a)) reasonable ((attorney's)) attorneys' fees to be fixed by 33 the court to be paid by the state of Washington.

34 **Sec. 1005.** RCW 42.56.010 and 2007 c 197 s 1 are each amended to 35 read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise. 1 (1) "Agency" includes all state agencies and all local agencies. 2 "State agency" includes every state office, department, division, 3 bureau, board, commission, or other state agency. "Local agency" 4 includes every county, city, town, municipal corporation, quasi-5 municipal corporation, or special purpose district, or any office, 6 department, division, bureau, board, commission, or agency thereof, or 7 other local public agency.

8 (2) <u>"Person in interest" means the person who is the subject of a</u> 9 <u>record or any representative designated by that person, except that if</u> 10 <u>that person is under a legal disability, "person in interest" means and</u> 11 <u>includes the parent or duly appointed legal representative.</u>

12 (3) "Public record" includes any writing containing information 13 relating to the conduct of government or the performance of any 14 governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form 15 or characteristics. For the office of the secretary of the senate and the 16 17 office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also 18 means the following: All budget and financial records; personnel 19 leave, travel, and payroll records; records of legislative sessions; 20 21 reports submitted to the legislature; and any other record designated 22 a public record by any official action of the senate or the house of 23 representatives.

24 ((((3))) <u>(4)</u> "Writing" means handwriting, typewriting, printing, 25 photostating, photographing, and every other means of recording any form of communication or representation including, but not limited to, 26 27 letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and 28 prints, motion picture, film and video recordings, magnetic or punched 29 cards, discs, drums, diskettes, sound recordings, and other documents 30 31 including existing data compilations from which information may be obtained or translated. 32

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MISCELLANEOUS PROVISIONS

PART 11

35 <u>NEW SECTION.</u> Sec. 1101. When RCW 42.17.2401 (as recodified by

1 this act) is codified, the code reviser shall arrange the names of the 2 agencies in each subsection in alphabetical order, arranged according 3 to the first distinctive word of each agency's name.

<u>NEW SECTION.</u> Sec. 1102. The following sections are recodified as 4 5 a new chapter in Title 42 RCW, to be codified as chapter 42.17A RCW, in 6 the following order with the following subchapter headings: 7 GENERAL PROVISIONS 8 RCW 42.17.010 9 RCW 42.17.020 RCW 42.17.035 10 11 RCW 42.17.440 12 ELECTRONIC ACCESS 13 RCW 42.17.367 RCW 42.17.369 14 15 RCW 42.17.460 16 RCW 42.17.461 17 RCW 42.17.463 18 ADMINISTRATION RCW 42.17.350 19 20 RCW 42.17.360 21 RCW 42.17.370 Section 304 of this act 22 23 RCW 42.17.690 24 RCW 42.17.380 25 RCW 42.17.405 26 RCW 42.17.420 27 RCW 42.17.430 28 RCW 42.17.450 29 CAMPAIGN FINANCE REPORTING 30 RCW 42.17.030 31 RCW 42.17.040 RCW 42.17.050 32 Section 404 of this act 33 34 RCW 42.17.060 35 RCW 42.17.065 36 RCW 42.17.067

37 RCW 42.17.080

1	RCW 42.17.090
2	RCW 42.17.3691
3	RCW 42.17.093
4	RCW 42.17.100
5	RCW 42.17.103
б	RCW 42.17.105
7	RCW 42.17.550
8	RCW 42.17.135
9	POLITICAL ADVERTISING AND ELECTIONEERING COMMUNICATIONS
10	RCW 42.17.561
11	RCW 42.17.565
12	RCW 42.17.570
13	RCW 42.17.575
14	RCW 42.17.510
15	RCW 42.17.520
16	RCW 42.17.530
17	RCW 42.17.540
18	RCW 42.17.110
19	CAMPAIGN CONTRIBUTION LIMITS AND OTHER RESTRICTIONS
20	RCW 42.17.610
21	RCW 42.17.640
22	RCW 42.17.645
23	RCW 42.17.700
24	Section 604 of this act
25	RCW 42.17.070
26	RCW 42.17.095
27	RCW 42.17.120
28	Section 607 of this act
29	RCW 42.17.125
30	RCW 42.17.650
31	RCW 42.17.660
32	RCW 42.17.670
33	RCW 42.17.720
34	RCW 42.17.730
35	RCW 42.17.740
36	RCW 42.17.770
37	RCW 42.17.780
38	RCW 42 17 790

38 RCW 42.17.790

- 1 RCW 42.17.680
- 2 RCW 42.17.760
- 3 PUBLIC OFFICIALS, EMPLOYEES, AND AGENCIES CAMPAIGN RESTRICTIONS AND
- 4 PROHIBITIONS--REPORTING
- 5 RCW 42.17.128
- 6 RCW 42.17.130
- 7 RCW 42.17.710
- 8 RCW 42.17.750
- 9 RCW 42.17.245
- 10 Section 703 of this act
- 11 LOBBYING DISCLOSURE AND RESTRICTIONS
- 12 RCW 42.17.150
- 13 RCW 42.17.155
- 14 RCW 42.17.160
- 15 RCW 42.17.170
- 16 RCW 42.17.172
- 17 RCW 42.17.175
- 18 RCW 42.17.180
- 19 RCW 42.17.190
- 20 RCW 42.17.200
- 21 RCW 42.17.210
- 22 RCW 42.17.220
- 23 RCW 42.17.230
- 24 PERSONAL FINANCIAL AFFAIRS REPORTING BY CANDIDATES AND PUBLIC OFFICIALS
- 25 RCW 42.17.240
- 26 RCW 42.17.2401
- 27 RCW 42.17.241
- 28 RCW 42.17.242
- 29 ENFORCEMENT
- 30 RCW 42.17.390
- 31 RCW 42.17.395
- 32 RCW 42.17.397
- 33 RCW 42.17.400
- 34 RCW 42.17.410
- 35 TECHNICAL PROVISIONS
- 36 RCW 42.17.900
- 37 RCW 42.17.910
- 38 RCW 42.17.911

RCW 42.17.912 1 2 RCW 42.17.920 RCW 42.17.930 3 RCW 42.17.940 4 5 RCW 42.17.945 RCW 42.17.950 б 7 RCW 42.17.955 RCW 42.17.960 8 9 RCW 42.17.961 RCW 42.17.962 10 RCW 42.17.963 11 12 RCW 42.17.964 13 RCW 42.17.965 RCW 42.17.966 14

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15 <u>NEW SECTION.</u> Sec. 1103. The following acts or parts of acts, as 16 now existing or hereafter amended, are each repealed: 17 (1) RCW 42.17.131 (Exemption from RCW 42.17.130) and 1994 c 154 s 317; 18 19 (2) RCW 42.17.362 (Toll-free telephone number) and 2000 c 237 s 6; (3) RCW 42.17.365 (Audits and investigations) and 1999 c 401 s 8 & 20 21 1993 c 2 s 29; 22 (4) RCW 42.17.375 (Reports filed with county elections official --23 Rules governing) and 1983 c 294 s 1; 24 (5) RCW 42.17.465 (Information technology plan--Contents) and 1999 c 401 s 4; 25 26 (6) RCW 42.17.467 (Information technology plan--Consultation) and 1999 c 401 s 5; 27 (7) RCW 42.17.469 (Information technology plan--Submission) and 28 29 1999 c 401 s 6; 30 (8) RCW 42.17.471 (Access performance reports) and 1999 c 401 s 7; 31 (9) RCW 42.17.562 (Intent) and 2005 c 445 s 2; 32 (10) RCW 42.17.620 (Intent) and 1993 c 2 s 2; and (11) RCW 42.17.647 (Rules) and 2006 c 348 s 3. 33 34 NEW SECTION. Sec. 1104. Sections 505, 602, and 703 of this act

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are necessary for the immediate preservation of the public peace,

- 1 health, or safety, or support of the state government and its existing
- 2 public institutions, and take effect immediately.
- 3 NEW SECTION. Sec. 1105. Sections 101 through 504, 506 through
- 4 601, and 603 through 1103 of this act take effect January 1, 2012.

Note: Governor's explanation of partial veto is as follows: "I am returning herewith, without my approval as to Sections 309, 412 and 415 Second Substitute House Bill 2016 entitled:

"AN ACT Relating to campaign contribution and disclosure laws."

This bill reorganizes and recodifies chapter 42.17 RCW, provides for the listing of the controlling entity on independent expenditures if the sponsor is a political committee, and allows bona fide political parties to use exempt funds for independent expenditures and electioneering communications.

Two bills delivered to me by the Legislature amend the same sections of existing laws in inconsistent ways. Section 309 (amending RCW 42.17.450), Section 412 (amending RCW 42.17.100), and Section 415 (amending RCW 42.17.550) amend the same sections of existing law that are amended or repealed in Senate Bill 6243 which will be signed today. These sections are technical changes with clarifying language which can be vetoed without affecting the policy changes in Second Substitute House Bill 2016.

For these reasons, I have vetoed Sections 309, 412 and 415 of Second Substitute House Bill 2016.

With the exception of Sections 309, 412 and 415, Second Substitute House Bill 2016 is approved."