

SSB 6448 - S AMD 519  
By Senator Sheldon

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** (1)(a) A state officer as defined in RCW  
4 42.52.010 may establish an ethics defense trust fund and name a trustee  
5 if the state officer is subject to a complaint for an ethics violation  
6 filed or issued under this chapter relating to the state officer's  
7 official duties.

8 (b) For the purposes of this section and sections 2 through 4 of  
9 this act, "official duties" include, but are not limited to, all  
10 activities prescribed in the state Constitution and state statutes,  
11 legislatively funded or mandated authority and responsibilities, job  
12 description, or any tasks related to carrying out the duties of the  
13 state officer's position that are intended to protect, promote,  
14 educate, or serve the citizens of the state of Washington.

15 (2)(a) The proceeds of the trust fund may be used to:

16 (i) Defray legal expenses and costs incurred by the state officer  
17 as a result of a complaint filed or issued for an ethics violation  
18 under this chapter or an internal legislative investigatory proceeding;

19 (ii) Defray costs reasonably incurred in administering the trust  
20 fund, including but not limited to costs incident to the solicitation  
21 of funds; and

22 (iii) Discharge any tax liabilities incurred as a result of the  
23 creation, operation, or administration of the trust fund.

24 (b) The proceeds of a trust fund may also be used to defray or  
25 discharge legal expenses and costs incurred before the trust fund was  
26 established if the legal expenses or costs are related to the complaint  
27 proceedings for which the trust fund was established.

28 (3) Except as provided in subsection (2) of this section, the state  
29 officer may not use proceeds from the trust fund for any personal use  
30 or to defray or discharge any penalties or liabilities.

1 (4) A state officer may not establish or maintain more than one  
2 ethics defense trust fund at any one time.

3 (5) Chapter 11.98 RCW does not apply to a trust fund established  
4 under this chapter.

5 NEW SECTION. **Sec. 2.** (1) The trustee of an ethics defense trust  
6 fund is responsible for:

7 (a) The receipt and deposit of contributions to the trust fund;

8 (b) The authorization of expenditures and disbursements from the  
9 trust fund;

10 (c) The performance of other tasks incident to the administration  
11 of the trust fund.

12 (2)(a) A trustee of an ethics defense trust fund shall establish a  
13 single exclusive account in a depository, as defined in RCW 42.17A.005.  
14 The depository must be located in this state and must ordinarily  
15 conduct business with the general public in this state.

16 (b) The trustee shall maintain the account in the name of the trust  
17 fund.

18 (c) All expenditures made by the trustee shall be drawn from the  
19 account and:

20 (i) Issued on a check signed by the trustee; or

21 (ii) Paid using a debit card or other form of electronic  
22 transaction.

23 (d) A contribution received by a trustee shall be deposited into  
24 the account not later than three working days after the date the  
25 contribution is received.

26 (e) This section does not prohibit the transfer of any amount  
27 deposited in the account into a certificate of deposit, stock fund, or  
28 other investment instrument.

29 (f) The account may not include any public or private moneys or any  
30 moneys of any other person, other than contributions received by the  
31 trustee.

32 (g) A trustee shall retain a copy of each depository account  
33 statement from the account described in this section for not less than  
34 two years after the date the statement is issued by the depository.

35 (h) The trustee may not be a member of the family of or an employee  
36 of the state officer.

1        NEW SECTION.    **Sec. 3.**    (1) Any person may contribute to an ethics  
2 defense trust fund established in section 1 of this act.

3        (2) The maximum contribution by any person per year to an ethics  
4 defense trust fund shall be the same as the campaign contribution limit  
5 per person per election cycle established by the public disclosure  
6 commission for candidates for statewide executive office.

7        (3) The ethics defense trust fund agreement, contributions,  
8 expenditures, and other transfers of moneys to or from the trust fund  
9 shall be reported to the public disclosure commission once a month,  
10 within ten days after the completion of the month, for all transactions  
11 occurring in that month. Failure to report as required by this  
12 subsection is a violation of chapter 42.17A RCW.

13        (4) Reports filed with the public disclosure commission under  
14 subsection (3) of this section are nonexempt public records subject to  
15 disclosure under chapter 42.56 RCW.

16        NEW SECTION.    **Sec. 4.**    (1) An ethics defense trust fund established  
17 under section 1 of this act may be terminated by:

18        (a) The state officer who established the trust fund; or

19        (b) Subject to subsection (2) of this section, the terms of the  
20 trust agreement.

21        (2) A trust agreement may provide that an ethics defense trust fund  
22 is terminated not later than six months following the completion of the  
23 payments authorized under section 1(2) of this act.

24        (3) Following termination of an ethics defense trust fund, the  
25 trustee may not accept contributions to or make expenditures from the  
26 trust fund.

27        (4) Not later than thirty days after an ethics defense trust fund  
28 is terminated, the trustee of the trust fund shall return any moneys  
29 remaining in the trust fund to contributors to the trust fund on a pro  
30 rata basis.

31        **Sec. 5.**    RCW 42.52.150 and 2011 c 60 s 29 are each amended to read  
32 as follows:

33        (1) No state officer or state employee may accept gifts, other than  
34 those specified in subsections (2) (~~and~~), (5), and (6) of this  
35 section, with an aggregate value in excess of fifty dollars from a  
36 single source in a calendar year or a single gift from multiple sources

1 with a value in excess of fifty dollars. For purposes of this section,  
2 "single source" means any person, as defined in RCW 42.52.010, whether  
3 acting directly or through any agent or other intermediary, and "single  
4 gift" includes any event, item, or group of items used in conjunction  
5 with each other or any trip including transportation, lodging, and  
6 attendant costs, not excluded from the definition of gift under RCW  
7 42.52.010. The value of gifts given to an officer's or employee's  
8 family member or guest shall be attributed to the official or employee  
9 for the purpose of determining whether the limit has been exceeded,  
10 unless an independent business, family, or social relationship exists  
11 between the donor and the family member or guest.

12 (2) Except as provided in subsection (4) of this section, the  
13 following items are presumed not to influence under RCW 42.52.140, and  
14 may be accepted without regard to the limit established by subsection  
15 (1) of this section:

16 (a) Unsolicited flowers, plants, and floral arrangements;

17 (b) Unsolicited advertising or promotional items of nominal value,  
18 such as pens and note pads;

19 (c) Unsolicited tokens or awards of appreciation in the form of a  
20 plaque, trophy, desk item, wall memento, or similar item;

21 (d) Unsolicited items received by a state officer or state employee  
22 for the purpose of evaluation or review, if the officer or employee has  
23 no personal beneficial interest in the eventual use or acquisition of  
24 the item by the officer's or employee's agency;

25 (e) Informational material, publications, or subscriptions related  
26 to the recipient's performance of official duties;

27 (f) Food and beverages consumed at hosted receptions where  
28 attendance is related to the state officer's or state employee's  
29 official duties;

30 (g) Gifts, grants, conveyances, bequests, and devises of real or  
31 personal property, or both, in trust or otherwise accepted and  
32 solicited for deposit in the legislative international trade account  
33 created in RCW 43.15.050;

34 (h) Gifts, grants, conveyances, bequests, and devises of real or  
35 personal property, or both, in trust or otherwise accepted and  
36 solicited for the purpose of promoting the expansion of tourism as  
37 provided for in RCW 43.330.090;

1 (i) Gifts, grants, conveyances, bequests, and devises of real or  
2 personal property, or both, solicited on behalf of a national  
3 legislative association, 2006 official conference of the national  
4 lieutenant governors' association, or host committee for the purpose of  
5 hosting an official conference under the circumstances specified in RCW  
6 42.52.820 and section 2, chapter 5, Laws of 2006. Anything solicited  
7 or accepted may only be received by the national association or host  
8 committee and may not be commingled with any funds or accounts that are  
9 the property of any person;

10 (j) Admission to, and the cost of food and beverages consumed at,  
11 events sponsored by or in conjunction with a civic, charitable,  
12 governmental, or community organization; and

13 (k) Unsolicited gifts from dignitaries from another state or a  
14 foreign country that are intended to be personal in nature.

15 (3) The presumption in subsection (2) of this section is rebuttable  
16 and may be overcome based on the circumstances surrounding the giving  
17 and acceptance of the item.

18 (4) Notwithstanding subsections (2) and (5) of this section, a  
19 state officer or state employee of a regulatory agency or of an agency  
20 that seeks to acquire goods or services who participates in those  
21 regulatory or contractual matters may receive, accept, take, or seek,  
22 directly or indirectly, only the following items from a person  
23 regulated by the agency or from a person who seeks to provide goods or  
24 services to the agency:

25 (a) Unsolicited advertising or promotional items of nominal value,  
26 such as pens and note pads;

27 (b) Unsolicited tokens or awards of appreciation in the form of a  
28 plaque, trophy, desk item, wall memento, or similar item;

29 (c) Unsolicited items received by a state officer or state employee  
30 for the purpose of evaluation or review, if the officer or employee has  
31 no personal beneficial interest in the eventual use or acquisition of  
32 the item by the officer's or employee's agency;

33 (d) Informational material, publications, or subscriptions related  
34 to the recipient's performance of official duties;

35 (e) Food and beverages consumed at hosted receptions where  
36 attendance is related to the state officer's or state employee's  
37 official duties;

1 (f) Admission to, and the cost of food and beverages consumed at,  
2 events sponsored by or in conjunction with a civic, charitable,  
3 governmental, or community organization; and

4 (g) Those items excluded from the definition of gift in RCW  
5 42.52.010 except:

6 (i) Payments by a governmental or nongovernmental entity of  
7 reasonable expenses incurred in connection with a speech, presentation,  
8 appearance, or trade mission made in an official capacity;

9 (ii) Payments for seminars and educational programs sponsored by a  
10 bona fide governmental or nonprofit professional, educational, trade,  
11 or charitable association or institution; and

12 (iii) Flowers, plants, and floral arrangements.

13 (5) A state officer or state employee may accept gifts in the form  
14 of food and beverage on infrequent occasions in the ordinary course of  
15 meals where attendance by the officer or employee is related to the  
16 performance of official duties. Gifts in the form of food and beverage  
17 that exceed fifty dollars on a single occasion shall be reported as  
18 provided in chapter 42.17A RCW.

19 (6) A state officer may accept contributions made to an ethics  
20 defense trust fund established under section 1 of this act.

21 NEW SECTION. **Sec. 6.** Sections 1 through 4 of this act are each  
22 added to chapter 42.52 RCW."

**SSB 6448** - S AMD  
By Senator

23 On page 1, line 2 of the title, after "funds;" strike the remainder  
24 of the title and insert "amending RCW 42.52.150; and adding new  
25 sections to chapter 42.52 RCW."

EFFECT: The trust fund cannot be used to defray penalties or

liabilities. Official duties include any activities intended to protect, promote, educate, or serve the citizens of the state.

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