
SENATE BILL 5207

State of Washington

68th Legislature

2023 Regular Session

By Senators Billig, Valdez, Hunt, Kuderer, and Nguyen

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1 AN ACT Relating to campaign contributions by controlled entities;
2 amending RCW 42.17A.455; and adding a new section to chapter 42.17A
3 RCW.

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

5 **Sec. 1.** RCW 42.17A.455 and 2010 c 204 s 609 are each amended to
6 read as follows:

7 For purposes of this chapter:

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

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

1 or collective bargaining organization are considered made by the
2 trade association, labor union, collective bargaining organization,
3 or local unit of a trade association, labor union, or collective
4 bargaining organization.

5 (3)(a) If an individual directs or controls an entity's
6 contributions, the entity's contributions shall be aggregated with
7 contributions made by both:

8 (i) That individual; and

9 (ii) Any other entity whose contributions that individual directs
10 or controls.

11 (b) If two or more entities make contributions that are directed
12 or controlled by a majority of the same persons, the contributions of
13 those entities shall be aggregated.

14 (c) Contributions made by entities that are majority-owned by a
15 person shall be aggregated with the contributions of the majority
16 owner and all other entities majority-owned by that person, unless
17 those entities act independently in their contribution-making
18 decisions.

19 (4) The commission shall adopt rules to carry out this section
20 and is not subject to the time restrictions of RCW 42.17A.110(1).

21 NEW SECTION. Sec. 2. A new section is added to chapter 42.17A
22 RCW to read as follows:

23 (1) Any limited liability company that has registered with the
24 secretary of state under chapter 23.95 RCW and has not elected to be
25 classified as a corporation under the federal tax code may make
26 contributions only if the company has:

27 (a) Been in existence for at least one year prior to making
28 contributions; and

29 (b) Electronically filed with the commission a declaration that
30 the company is a legitimate business with a legitimate business
31 interest and is not created for the sole purpose of making campaign
32 contributions.

33 (2) The commission shall develop a method for limited liability
34 companies to file the declaration required under subsection (1)(b) of
35 this section. The commission shall post all information submitted
36 pursuant to this section on its website on a public page in a
37 searchable format.

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