SUBSTITUTE SENATE BILL 5857

State of Washington 68th Legislature 2024 Regular Session

By Senate State Government & Elections (originally sponsored by Senators Hunt and Nobles)

READ FIRST TIME 01/29/24.

```
AN ACT Relating to reorganizing statutes on campaign disclosure
1
 2
    and contribution; amending RCW 42.17A.001, 42.17A.010,
                                                                 42.17A.020,
 3
    42.17A.055,
                   42.17A.060,
                                   42.17A.065,
                                                  42.17A.100,
                                                                 42.17A.105,
    42.17A.110,
                                                                 42.17A.140,
 4
                   42.17A.120,
                                   42.17A.125,
                                                  42.17A.135,
 5
    42.17A.145,
                   42.17A.150,
                                   42.17A.160,
                                                  42.17A.200,
                                                                 42.17A.205,
    42.17A.207,
                   42.17A.210,
                                   42.17A.215,
                                                  42.17A.220,
                                                                 42.17A.225,
 6
 7
    42.17A.230,
                   42.17A.235,
                                   42.17A.240,
                                                  42.17A.250,
                                                                 42.17A.255,
 8
    42.17A.260,
                   42.17A.265,
                                   42.17A.270,
                                                  42.17A.300,
                                                                 42.17A.305,
    42.17A.310,
                   42.17A.315,
                                   42.17A.320,
                                                  42.17A.330,
                                                                 42.17A.335,
 9
                                   42.17A.350,
    42.17A.340,
                                                                 42.17A.405,
10
                   42.17A.345,
                                                  42.17A.400,
                                                                 42.17A.420,
11
    42.17A.410,
                   42.17A.415,
                                   42.17A.417,
                                                  42.17A.418,
    42.17A.425,
                    42.17A.430,
                                   42.17A.435,
                                                  42.17A.440,
                                                                 42.17A.442,
12
13
    42.17A.445,
                   42.17A.450,
                                   42.17A.455,
                                                  42.17A.460,
                                                                 42.17A.465,
    42.17A.470,
                                   42.17A.480,
                                                                 42.17A.490,
14
                   42.17A.475,
                                                  42.17A.485,
15
    42.17A.495,
                    42.17A.500,
                                   42.17A.550,
                                                  42.17A.555,
                                                                 42.17A.565,
16
    42.17A.570,
                   42.17A.575,
                                   42.17A.603,
                                                  42.17A.610,
                                                                 42.17A.615,
    42.17A.620,
                   42.17A.625,
                                   42.17A.630,
                                                                 42.17A.640,
17
                                                  42.17A.635,
    42.17A.645,
                   42.17A.650,
                                   42.17A.655,
                                                  42.17A.700,
                                                                 42.17A.705,
18
    42.17A.710,
                   42.17A.715,
                                   42.17A.750,
                                                  42.17A.755,
                                                                 42.17A.760,
19
    42.17A.765,
                   42.17A.770,
                                  42.17A.775,
                                                  42.17A.780,
                                                                 42.17A.785,
20
                                                                 28B.15.610,
    42.62.040,
                                  19.09.020,
21
                   15.89.070,
                                                 28A.600.027,
22
    28B.133.030,
                     29A.32.031,
                                    29A.84.250,
                                                    35.02.130,
                                                                  35.21.759,
23
    36.70A.200, 42.36.040, 42.52.150, 42.52.180, 42.52.185, 42.52.380,
```

p. 1 SSB 5857

```
1
    42.52.560, 42.52.806, 43.03.305, 43.17.320, 43.52A.030, 43.59.156,
2
    43.60A.175, 43.166.030, 43.167.020, 43.384.060, 44.05.020, 44.05.080,
    53.57.060, 68.52.220, 70A.02.120, 79A.25.830, and 82.04.759;
3
    reenacting and amending RCW 42.17A.130, 42.17A.560, 42.17A.600,
4
    42.17A.605, 15.65.280, 15.66.140, 15.115.140, and 42.52.010; adding a
5
6
    new title to the Revised Code of Washington to be codified as Title
7
    29B RCW; creating new sections; recodifying RCW
                                                           42.17A.001,
    42.17A.010,
                 42.17A.020,
                               42.17A.055,
                                              42.17A.060,
                                                           42.17A.065,
8
    42.17A.100,
9
                 42.17A.105,
                                42.17A.110,
                                             42.17A.120,
                                                           42.17A.125,
                             42.17A.140,
    42.17A.130,
                 42.17A.135,
                                             42.17A.145,
                                                           42.17A.150,
10
11
    42.17A.160,
                 42.17A.200,
                               42.17A.205,
                                             42.17A.207,
                                                           42.17A.210,
                 42.17A.220,
                                            42.17A.230,
12
    42.17A.215,
                                42.17A.225,
                                                           42.17A.235,
                                            42.17A.260,
    42.17A.240,
                                                           42.17A.265,
13
                 42.17A.250,
                             42.17A.255,
14
    42.17A.270,
                 42.17A.300,
                                42.17A.305,
                                             42.17A.310,
                                                           42.17A.315,
    42.17A.320,
                 42.17A.330,
                                42.17A.335,
                                             42.17A.340,
                                                           42.17A.345,
15
16
    42.17A.350,
                 42.17A.400,
                                42.17A.405,
                                            42.17A.410,
                                                           42.17A.415,
17
    42.17A.417,
                 42.17A.418,
                                42.17A.420,
                                             42.17A.425,
                                                           42.17A.430,
                                                           42.17A.450,
    42.17A.435,
                 42.17A.440,
                                42.17A.442,
                                             42.17A.445,
18
    42.17A.455,
                 42.17A.460,
                                42.17A.465,
                                            42.17A.470,
                                                           42.17A.475,
19
20
    42.17A.480,
                 42.17A.485,
                               42.17A.490,
                                             42.17A.495,
                                                           42.17A.500,
21
    42.17A.550,
                 42.17A.555,
                                42.17A.560,
                                             42.17A.565,
                                                           42.17A.570,
    42.17A.575,
                 42.17A.600,
                                42.17A.603,
                                             42.17A.605,
                                                           42.17A.610,
22
                                42.17A.625,
                                            42.17A.630,
    42.17A.615,
                 42.17A.620,
                                                           42.17A.635,
23
    42.17A.640,
24
                 42.17A.645,
                               42.17A.650,
                                             42.17A.655,
                                                           42.17A.700,
25
    42.17A.705,
                 42.17A.710,
                               42.17A.715,
                                             42.17A.750,
                                                           42.17A.755,
    42.17A.760, 42.17A.765,
                                42.17A.770, 42.17A.775,
26
                                                           42.17A.780,
27
    42.17A.785, 42.62.020, 42.62.030, and 42.62.040; repealing RCW
28
    42.17A.005 and 42.62.010; providing an effective date; and providing
29
    an expiration date.
```

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

31 PART I 32 NEW TITLE CREATED

NEW SECTION. Sec. 101. This act is intended to make technical amendments to certain codified statutes that involve campaign disclosure and contribution. Any statutory changes made by this act should be interpreted as technical in nature and not interpreted to have any substantive, policy implications.

p. 2 SSB 5857

- 1 <u>NEW SECTION.</u> **Sec. 102.** A rule adopted under authority provided
- 2 in chapter 42.17A RCW remains valid and is not affected by the
- 3 recodification in this act.
- 4 <u>NEW SECTION.</u> **Sec. 103.** A new title is added to the Revised Code
- 5 of Washington to be codified as Title 29B RCW.

6 PART II

7 DEFINITIONS SPLIT

- 8 <u>NEW SECTION.</u> **Sec. 201.** Words and phrases as defined in this
- 9 chapter, wherever used in this title, shall have the meaning as in
- 10 this chapter ascribed to them, unless where used the context thereof
- 11 shall clearly indicate to the contrary or unless otherwise defined in
- 12 the chapter of which they are a part.
- 13 <u>NEW SECTION.</u> **Sec. 202.** "Actual malice" means to act with
- 14 knowledge of falsity or with reckless disregard as to truth or
- 15 falsity.
- 16 <u>NEW SECTION.</u> **Sec. 203.** "Agency" includes all state agencies and
- 17 all local agencies. "State agency" includes every state office,
- 18 department, division, bureau, board, commission, or other state
- 19 agency. "Local agency" includes every county, city, town, municipal
- 20 corporation, quasi-municipal corporation, or special purpose
- 21 district, or any office, department, division, bureau, board,
- 22 commission, or agency thereof, or other local public agency. "Agency"
- 23 does not include a comprehensive cancer center participating in a
- 24 collaborative arrangement as defined in RCW 28B.10.930 that is
- operated in conformance with RCW 28B.10.930.
- 26 <u>NEW SECTION.</u> **Sec. 204.** "Authorized committee" means the
- 27 political committee authorized by a candidate, or by the public
- 28 official against whom recall charges have been filed, to accept
- 29 contributions or make expenditures on behalf of the candidate or
- 30 public official.
- 31 <u>NEW SECTION.</u> **Sec. 205.** "Ballot proposition" means any "measure"
- 32 as defined by RCW 29A.04.091, or any initiative, recall, or
- 33 referendum proposition proposed to be submitted to the voters of the

p. 3 SSB 5857

- 1 state or any municipal corporation, political subdivision, or other
- 2 voting constituency from and after the time when the proposition has
- 3 been initially filed with the appropriate election officer of that
- 4 constituency before its circulation for signatures.
- 5 <u>NEW SECTION.</u> **Sec. 206.** "Benefit" means a commercial,
- 6 proprietary, financial, economic, or monetary advantage, or the
- 7 avoidance of a commercial, proprietary, financial, economic, or
- 8 monetary disadvantage.

22

23

2425

26

2728

29

30

- 9 <u>NEW SECTION.</u> **Sec. 207.** "Bona fide political party" means:
- 10 (1) An organization that has been recognized as a minor political party by the secretary of state;
- 12 (2) The governing body of the state organization of a major 13 political party, as defined in RCW 29A.04.086, that is the body 14 authorized by the charter or bylaws of the party to exercise 15 authority on behalf of the state party; or
- 16 (3) The county central committee or legislative district 17 committee of a major political party. There may be only one 18 legislative district committee for each party in each legislative 19 district.

NEW SECTION. Sec. 208. "Books of account" means:

- (1) In the case of a campaign or political committee, a ledger or similar listing of contributions, expenditures, and debts, such as a campaign or committee is required to file regularly with the commission, current as of the most recent business day; or
- (2) In the case of a commercial advertiser, details of political advertising or electioneering communications provided by the advertiser, including the names and addresses of persons from whom it accepted political advertising or electioneering communications, the exact nature and extent of the services rendered, and the total cost and the manner of payment for the services.
- NEW SECTION. Sec. 209. "Candidate" means any individual who seeks nomination for election or election to public office. An individual seeks nomination or election when the individual first:
- 34 (1) Receives contributions or makes expenditures or reserves 35 space or facilities with intent to promote the individual's candidacy 36 for office;

p. 4 SSB 5857

- 1 (2) Announces publicly or files for office;
- 2 (3) Purchases commercial advertising space or broadcast time to 3 promote the individual's candidacy; or
- 4 (4) Gives consent to another person to take on behalf of the 5 individual any of the actions in subsection (1) or (3) of this 6 section.
- NEW SECTION. Sec. 210. "Caucus political committee" means a political committee organized and maintained by the members of a major political party in the state senate or state house of representatives.
- NEW SECTION. Sec. 211. "Commercial advertiser" means any person 11 12 that sells the service of communicating messages or producing material for broadcast or distribution to the general public or 13 14 segments of the general public whether through brochures, fliers, 15 newspapers, magazines, television, radio, billboards, direct mail 16 advertising, printing, paid internet or digital communications, or any other means of mass communication used for the purpose of 17 18 appealing, directly or indirectly, for votes or for financial or 19 other support in any election campaign.
- NEW SECTION. Sec. 212. "Commission" means the agency established under RCW 42.17A.100 (as recodified by this act).
- NEW SECTION. Sec. 213. "Committee" unless the context indicates otherwise, includes a political committee such as a candidate, ballot proposition, recall, political, or continuing political committee.
- Sec. 214. "Compensation" unless the context 25 NEW SECTION. 26 requires a narrower meaning, includes payment in any form for real or 27 personal property or services of any kind. For the purpose of 28 compliance with RCW 42.17A.710 (as recodified by this act). "compensation" does not include per diem allowances or other payments 29 made by a governmental entity to reimburse a public official for 30 expenses incurred while the official is engaged in the official 31 32 business of the governmental entity.
- NEW SECTION. Sec. 215. "Continuing political committee" means a political committee that is an organization of continuing existence

p. 5 SSB 5857

not limited to participation in any particular election campaign or election cycle.

<u>NEW SECTION.</u> **Sec. 216.** (1) "Contribution" includes:

3

8

9

11

1213

1415

1617

21

24

25

26

27

28

2930

31

32

33

3435

36

37

38

- 4 (a) A loan, gift, deposit, subscription, forgiveness of 5 indebtedness, donation, advance, pledge, payment, transfer of funds, 6 or anything of value, including personal and professional services 7 for less than full consideration;
 - (b) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political or incidental committee, the person or persons named on the candidate's or committee's registration form who direct expenditures on behalf of the candidate or committee, or their agents;
 - (c) The financing by a person of the dissemination, distribution, or republication, in whole or in part, of broadcast, written, graphic, digital, or other form of political advertising or electioneering communication prepared by a candidate, a political or incidental committee, or its authorized agent;
- 18 (d) Sums paid for tickets to fund-raising events such as dinners 19 and parties, except for the actual cost of the consumables furnished 20 at the event.
 - (2) "Contribution" does not include:
- 22 (a) Accrued interest on money deposited in a political or 23 incidental committee's account;
 - (b) Ordinary home hospitality;
 - (c) A contribution received by a candidate or political or incidental committee that is returned to the contributor within 10 business days of the date on which it is received by the candidate or political or incidental committee;
 - (d) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is of interest to the 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 or incidental committee;
 - (e) An internal political communication primarily limited to the members of or contributors to a political party organization or political or incidental 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;

p. 6 SSB 5857

(f) 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 \$50 personally paid for by the worker. "Volunteer services," for the purposes of this section, means services or labor for which the individual is not compensated by any person;

- (g) 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 in-kind contribution and counts toward any applicable contribution limit of the person providing the facility;
 - (h) Legal or accounting services rendered to or on behalf of:
- (i) 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
- (ii) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws; or
- (i) The performance of ministerial functions by a person on behalf of two or more candidates or political or incidental committees either as volunteer services defined in (f) of this subsection or for payment by the candidate or political or incidental committee for whom the services are performed as long as:
 - (i) The person performs solely ministerial functions;
- (ii) A person who is paid by two or more candidates or political or incidental 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 42.17A.205 (as recodified by this act); and
- (iii) The person does not disclose, except as required by law, any information regarding a candidate's or committee's plans, projects, activities, or needs, or regarding a candidate's or committee's contributions or expenditures that is not already publicly available from campaign reports filed with the commission, or otherwise engage in activity that constitutes a contribution under subsection (1) (b) of this section.

A person who performs ministerial functions under this subsection (2)(i) is not considered an agent of the candidate or committee as

p. 7 SSB 5857

long as the person has no authority to authorize expenditures or make decisions on behalf of the candidate or committee.

3

4

5

7

8

- (3) 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.
- NEW SECTION. Sec. 217. "Depository" means a bank, mutual savings bank, savings and loan association, or credit union doing business in this state.
- NEW SECTION. Sec. 218. "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.
- NEW SECTION. Sec. 219. "Election" includes any primary, general, or special election for public office and any election in which a ballot proposition is submitted to the voters. 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 title.
- NEW SECTION. Sec. 220. "Election campaign" means any campaign in support of or in opposition to a candidate for election to public office and any campaign in support of, or in opposition to, a ballot proposition.
- NEW SECTION. Sec. 221. "Election cycle" means the period beginning on the first day of January after the date of the last previous general election for the office that the candidate seeks and ending on December 31st after the next election for the office. In the case of a special election to fill a vacancy in an office, "election cycle" means the period beginning on the day the vacancy occurs and ending on December 31st after the special election.

p. 8 SSB 5857

- NEW SECTION. Sec. 222. (1) "Electioneering communication" means any broadcast, cable, or satellite television, radio transmission, digital communication, United States postal service mailing, billboard, newspaper, or periodical that:
- 5 (a) Clearly identifies a candidate for a state, local, or 6 judicial office either by specifically naming the candidate, or 7 identifying the candidate without using the candidate's name;
 - (b) Is broadcast, transmitted electronically or by other means, mailed, erected, distributed, or otherwise published within 60 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 60 days before an election, has a fair market value or cost of \$1,000 or more.
 - (2) "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 12 months preceding the candidate becoming a candidate;
 - (b) Advertising for candidate debates or forums when the 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;
- 26 (c) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is:
 - (i) Of interest to the public;

9

10 11

12

1314

15

1617

18

19

2021

22

23

2425

28

33

38

- 29 (ii) In a news medium controlled by a person whose business is 30 that news medium; and
- 31 (iii) Not a medium controlled by a candidate or a political or 32 incidental committee;
 - (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 12 months before becoming a
 candidate, or (ii) written about a candidate;
 - (f) Public service announcements;
- 39 (g) An internal political communication primarily limited to the 40 members of or contributors to a political party organization or

p. 9 SSB 5857

political or incidental 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;

4

5

29

30

- (h) An expenditure by or contribution to the authorized committee of a candidate for state, local, or judicial office; or
- 6 (i) Any other communication exempted by the commission through 7 rule consistent with the intent of this title.
- Sec. 223. "Expenditure" includes a payment, NEW SECTION. 8 contribution, subscription, distribution, loan, advance, deposit, or 9 gift of money or anything of value, and includes a contract, promise, 10 or agreement, whether or not legally enforceable, to make an 11 expenditure. "Expenditure" also includes a promise to pay, a payment, 12 13 or a transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of 14 15 assisting, benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For the 16 17 purposes of this title, agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until 18 actual payment is made. "Expenditure" shall not include the partial 19 20 or complete repayment by a candidate or political or incidental 21 committee of the principal of a loan, the receipt of which loan has 22 been properly reported.
- NEW SECTION. Sec. 224. "Final report" means the report described as a final report in RCW 42.17A.235(11)(a) (as recodified by this act).
- NEW SECTION. Sec. 225. "Foreign national" means:
- 27 (1) An individual who is not a citizen of the United States and 28 is not lawfully admitted for permanent residence;
 - (2) A government, or subdivision, of a foreign country;
 - (3) A foreign political party; and
- 31 (4) Any entity, such as a partnership, association, corporation, 32 organization, or other combination of persons, that is organized 33 under the laws of or has its principal place of business in a foreign 34 country.
- NEW SECTION. Sec. 226. "General election," for the purposes of RCW 42.17A.405 (as recodified by this act), means the election that

p. 10 SSB 5857

- 1 results in the election of a person to a state or local office. It
- 2 does not include a primary.
- 3 <u>NEW SECTION.</u> **Sec. 227.** "Gift" has the definition in RCW
- 4 42.52.010.
- 5 <u>NEW SECTION.</u> **Sec. 228.** "Immediate family" includes the spouse
- 6 or domestic partner, dependent children, and other dependent
- 7 relatives, if living in the household. For the purposes of the
- 8 definition of "intermediary" in section 232 of this act, "immediate
- 9 family" means an individual's spouse or domestic partner, and child,
- 10 stepchild, grandchild, parent, stepparent, grandparent, brother, half
- 11 brother, sister, or half sister of the individual and the spouse or
- 12 the domestic partner of any such person and a child, stepchild,
- 13 grandchild, parent, stepparent, grandparent, brother, half brother,
- 14 sister, or half sister of the individual's spouse or domestic partner
- 15 and the spouse or the domestic partner of any such person.
- 16 <u>NEW SECTION.</u> **Sec. 229.** "Incidental committee" means any
- 17 nonprofit organization not otherwise defined as a political committee
- 18 but that may incidentally make a contribution or an expenditure in
- 19 excess of the reporting thresholds in RCW 42.17A.235 (as recodified
- 20 by this act), directly or through a political committee. Any
- 21 nonprofit organization is not an incidental committee if it is only
- 22 remitting payments through the nonprofit organization in ar
- 23 aggregated form and the nonprofit organization is not required to
- 24 report those payments in accordance with this title.
- 25 <u>NEW SECTION.</u> **Sec. 230.** "Incumbent" means a person who is in
- 26 present possession of an elected office.
- NEW SECTION. Sec. 231. (1) "Independent expenditure" means an
- 28 expenditure that has each of the following elements:
- 29 (a) It is made in support of or in opposition to a candidate for
- 30 office by a person who is not:
- 31 (i) A candidate for that office;
- 32 (ii) An authorized committee of that candidate for that office;
- 33 and
- 34 (iii) A person who has received the candidate's encouragement or
- 35 approval to make the expenditure, if the expenditure pays in whole or

p. 11 SSB 5857

in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office;

4

5

7

8

10 11

12

1314

1516

17

18 19

2021

22

23

2425

26

27

28

29

30 31

32

33

34

- (b) It is made in support of or in opposition to a candidate for office by a person with whom the candidate has not collaborated for the purpose of making the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office;
- (c) The expenditure pays in whole or in part for political 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
- (d) The expenditure, alone or in conjunction with another expenditure or other expenditures of the same person in support of or opposition to that candidate, has a value of \$1,000 or more. A series of expenditures, each of which is under \$1,000, constitutes one independent expenditure if their cumulative value is \$1,000 or more.
- (2) "Independent expenditure" does not include: Ordinary home hospitality; communications with journalists or editorial staff designed to elicit a news item, feature, commentary, or editorial in a regularly scheduled news medium that is of primary interest to the general public, controlled by a person whose business is that news medium, and not controlled by a candidate or a political committee; participation in the creation of a publicly funded voters' pamphlet in written or video form; an statement internal political communication primarily limited to contributors to a political party organization or political action committee, the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor organization or other membership organization; or 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 personally paid for by the worker.
- NEW SECTION. Sec. 232. (1) "Intermediary" means an individual who transmits a contribution to a candidate or committee from another person unless the contribution is from the individual's employer, immediate family, or an association to which the individual belongs.

p. 12 SSB 5857

- 1 (2) A treasurer or a candidate is not an intermediary for 2 purposes of the committee that the treasurer or candidate serves.
- 3 (3) A professional fund-raiser is not an intermediary if the 4 fund-raiser is compensated for fund-raising services at the usual and 5 customary rate.
- 6 (4) A volunteer hosting a fund-raising event at the individual's
 7 home is not an intermediary for purposes of that event.
- NEW SECTION. Sec. 233. "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.
- NEW SECTION. Sec. 234. "Legislative office" means the office of a member of the state house of representatives or the office of a member of the state senate.
- 17 NEW SECTION. Sec. 235. "Lobby" and "lobbying" each mean 18 attempting to influence the passage or defeat of any legislation by 19 the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment 20 of any state agency under the state administrative procedure act, 21 22 chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an 23 association's or other organization's act of communicating with the 24 members of that association or organization.
- NEW SECTION. Sec. 236. "Lobbyist" includes any person who lobbies either on the person's own or another's behalf.
- NEW SECTION. Sec. 237. "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom the lobbyist is compensated for acting as a lobbyist.
- NEW SECTION. Sec. 238. "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.

p. 13 SSB 5857

- NEW SECTION. Sec. 239. "Participate" means that, with respect to a particular election, an entity:
- 3 (1) Makes either a monetary or in-kind contribution to a 4 candidate;

7

8

10 11

12

13

14

15

1617

18

1920

- (2) Makes an independent expenditure or electioneering communication in support of or opposition to a candidate;
- (3) Endorses a candidate before contributions are made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent;
- (4) Makes a recommendation regarding whether a candidate should be supported or opposed before a contribution is made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent; or
- (5) Directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support of or opposition to a candidate including, but not limited to, the amount of a contribution, when a contribution should be given, and what assistance, services, or independent expenditures, or electioneering communications, if any, will be made or should be made in support of or opposition to a candidate.
- NEW SECTION. Sec. 240. "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.
- NEW SECTION. Sec. 241. "Political advertising" includes any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, digital communication, 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.
- NEW SECTION. Sec. 242. "Political committee" means any person (except a candidate or an individual dealing with the candidate's or individual's own funds or property) having the expectation of

p. 14 SSB 5857

- 1 receiving contributions or making expenditures in support of, or
- 2 opposition to, any candidate or any ballot proposition.
- 3 <u>NEW SECTION.</u> **Sec. 243.** "Primary," for the purposes of RCW
- 4 42.17A.405 (as recodified by this act), means the procedure for
- 5 nominating a candidate to state or local office under chapter 29A.52
- 6 RCW or any other primary for an election that uses, in large measure,
- 7 the procedures established in chapter 29A.52 RCW.
- 8 <u>NEW SECTION.</u> **Sec. 244.** "Public office" means any federal,
- 9 state, judicial, county, city, town, school district, port district,
- 10 special district, or other state political subdivision elective
- 11 office.
- 12 <u>NEW SECTION.</u> **Sec. 245.** "Public record" has the definition in
- 13 RCW 42.56.010.
- 14 <u>NEW SECTION.</u> **Sec. 246.** "Recall campaign" means the period of
- 15 time beginning on the date of the filing of recall charges under RCW
- 16 29A.56.120 and ending 30 days after the recall election.
- 17 <u>NEW SECTION.</u> **Sec. 247.** "Remediable violation" means any
- 18 violation of this title that:
- 19 (1) Involved expenditures or contributions totaling no more than
- 20 the contribution limits set out under RCW 42.17A.405(2) (as
- 21 recodified by this act) per election, or \$1,000 if there is no
- 22 statutory limit;
- 23 (2) Occurred:
- 24 (a) More than 30 days before an election, where the commission
- 25 entered into an agreement to resolve the matter; or
- 26 (b) At any time where the violation did not constitute a material
- 27 violation because it was inadvertent and minor or otherwise has been
- 28 cured and, after consideration of all the circumstances, further
- 29 proceedings would not serve the purposes of this title;
- 30 (3) Does not materially harm the public interest, beyond the harm
- 31 to the policy of this title inherent in any violation; and
- 32 (4) Involved:
- 33 (a) A person who:
- 34 (i) Took corrective action within five business days after the
- 35 commission first notified the person of noncompliance, or where the

p. 15 SSB 5857

- 1 commission did not provide notice and filed a required report within 2 21 days after the report was due to be filed; and
- 3 (ii) Substantially met the filing deadline for all other required 4 reports within the immediately preceding 12-month period; or
 - (b) A candidate who:

- (i) Lost the election in question; and
- 7 (ii) Did not receive contributions over 100 times the 8 contribution limit in aggregate per election during the campaign in 9 question.
- NEW SECTION. Sec. 248. (1) "Sponsor," for purposes of an electioneering communications, independent expenditures, or political advertising, means the person paying for the electioneering communication, independent expenditure, or political advertising. If a person acts as an agent for another or is reimbursed by another for the payment, the original source of the payment is the sponsor.
- 16 (2) "Sponsor," for purposes of a political or incidental 17 committee, means any person, except an authorized committee, to whom 18 any of the following applies:
- 19 (a) The committee receives 80 percent or more of its 20 contributions either from the person or from the person's members, 21 officers, employees, or shareholders;
- 22 (b) The person collects contributions for the committee by use of 23 payroll deductions or dues from its members, officers, or employees.
- NEW SECTION. Sec. 249. "Sponsored committee" means a committee, other than an authorized committee, that has one or more sponsors.
- NEW SECTION. Sec. 250. "State office" means state legislative office or the office of governor, lieutenant governor, secretary of state, attorney general, commissioner of public lands, insurance commissioner, superintendent of public instruction, state auditor, or state treasurer.
- NEW SECTION. Sec. 251. "State official" means a person who holds a state office.
- NEW SECTION. Sec. 252. "Surplus funds" mean, in the case of a political committee or candidate, the balance of contributions that remain in the possession or control of that committee or candidate

p. 16 SSB 5857

- 1 subsequent to the election for which the contributions were received,
- 2 and that are in excess of the amount necessary to pay remaining debts
- 3 or expenses incurred by the committee or candidate with respect to
- 4 that election. In the case of a continuing political committee,
- 5 "surplus funds" mean those contributions remaining in the possession
- 6 or control of the committee that are in excess of the amount
- 7 necessary to pay all remaining debts or expenses when it makes its
- 8 final report under RCW 42.17A.255 (as recodified by this act).
- 9 <u>NEW SECTION.</u> **Sec. 253.** "Technical correction" means the
- 10 correction of a minor or ministerial error in a required report that
- 11 does not materially harm the public interest and needs to be
- 12 corrected for the report to be in full compliance with the
- 13 requirements of this title.
- 14 <u>NEW SECTION.</u> **Sec. 254.** "Treasurer" and "deputy treasurer" mean
- 15 the individuals appointed by a candidate or political or incidental
- 16 committee, pursuant to RCW 42.17A.210 (as recodified by this act), to
- 17 perform the duties specified in that section.
- 18 <u>NEW SECTION.</u> **Sec. 255.** "Violation" means a violation of this
- 19 title that is not a remediable violation, minor violation, or an
- 20 error classified by the commission as appropriate to address by a
- 21 technical correction.
- 22 <u>NEW SECTION.</u> **Sec. 256.** Sections 201 through 255 of this act are
- 23 each added to a new chapter in the new title created in section 103
- 24 of this act.
- 25 <u>NEW SECTION.</u> **Sec. 257.** RCW 42.17A.005 (Definitions) and 2022 c
- 26 71 s 14, 2020 c 152 s 2, & 2019 c 428 s 3 are each repealed.
- 27 PART III
- 28 **RECODIFICATION**
- 29 <u>NEW SECTION.</u> **Sec. 301.** GENERAL PROVISIONS. RCW 42.17A.001,
- 30 42.17A.010, and 42.17A.020 are recodified as a new chapter in the new
- 31 title created in section 103 of this act.

p. 17 SSB 5857

- 1 NEW SECTION. Sec. 302. ELECTRONIC ACCESS. RCW 42.17A.055,
- 2 42.17A.060, and 42.17A.065 are recodified as a new chapter in the new
- 3 title created in section 103 of this act.
- 4 <u>NEW SECTION.</u> **Sec. 303.** ADMINISTRATION. RCW 42.17A.100,
- 5 42.17A.105, 42.17A.110, 42.17A.120, 42.17A.125, 42.17A.130,
- 6 42.17A.135, 42.17A.140, 42.17A.145, 42.17A.150, and 42.17A.160 are
- 7 recodified as a new chapter in the new title created in section 103
- 8 of this act.
- 9 NEW SECTION. Sec. 304. CAMPAIGN FINANCE REPORTING.
- 10 RCW 42.17A.200, 42.17A.205, 42.17A.207, 42.17A.210, 42.17A.215,
- 11 42.17A.220, 42.17A.225, 42.17A.230, 42.17A.235, 42.17A.240,
- 12 42.17A.250, 42.17A.255, 42.17A.260, 42.17A.265, and 42.17A.270 are
- 13 recodified as a new chapter in the new title created in section 103
- 14 of this act.
- 15 NEW SECTION. Sec. 305. POLITICAL ADVERTISING AND ELECTIONEERING
- 16 COMMUNICATIONS. RCW 42.17A.300, 42.17A.305, 42.17A.310, 42.17A.315,
- 17 42.17A.320, 42.17A.330, 42.17A.335, 42.17A.340, 42.17A.345, and
- 18 42.17A.350 are recodified as a new chapter in the new title created
- 19 in section 103 of this act.
- 20 <u>NEW SECTION.</u> **Sec. 306.** CAMPAIGN CONTRIBUTION LIMITS AND OTHER
- 21 RESTRICTIONS. RCW 42.17A.400, 42.17A.405, 42.17A.410, 42.17A.415,
- 22 42.17A.417, 42.17A.418, 42.17A.420, 42.17A.425, 42.17A.430,
- 23 42.17A.435, 42.17A.440, 42.17A.442, 42.17A.445, 42.17A.450,
- 24 42.17A.455, 42.17A.460, 42.17A.465, 42.17A.470, 42.17A.475,
- 25 42.17A.480, 42.17A.485, 42.17A.490, 42.17A.495, 42.17A.500, and
- 26 42.17A.550 are recodified as a new chapter in the new title created
- 27 in section 103 of this act.
- NEW SECTION. Sec. 307. PUBLIC OFFICIALS', EMPLOYEES', AND
- 29 AGENCIES' CAMPAIGN RESTRICTIONS AND PROHIBITIONS—REPORTING.
- 30 RCW 42.17A.555, 42.17A.560, 42.17A.565, 42.17A.570, and 42.17A.575
- 31 are recodified as a new chapter in the new title created in section
- 32 103 of this act.
- 33 <u>NEW SECTION.</u> **Sec. 308.** LOBBYING DISCLOSURE AND RESTRICTIONS.
- 34 RCW 42.17A.600, 42.17A.603, 42.17A.605, 42.17A.610, 42.17A.615,

p. 18 SSB 5857

- 1 42.17A.620, 42.17A.625, 42.17A.630, 42.17A.635, 42.17A.640,
- 2 42.17A.645, 42.17A.650, and 42.17A.655 are recodified as a new
- 3 chapter in the new title created in section 103 of this act.
- 4 <u>NEW SECTION.</u> **Sec. 309.** PERSONAL FINANCIAL AFFAIRS REPORTING BY
- 5 CANDIDATES AND PUBLIC OFFICIALS. RCW 42.17A.700, 42.17A.705,
- 6 42.17A.710, and 42.17A.715 are recodified as a new chapter in the new
- 7 title created in section 103 of this act.
- 8 <u>NEW SECTION.</u> **Sec. 310.** ENFORCEMENT. RCW 42.17A.750, 42.17A.755,
- 9 42.17A.760, 42.17A.765, 42.17A.770, 42.17A.775, 42.17A.780, and
- 10 42.17A.785 are recodified as a new chapter in the new title created
- 11 in section 103 of this act.
- NEW SECTION. Sec. 311. RCW 42.62.020, 42.62.030, and 42.62.040
- 13 are recodified as a new chapter in the new title created in section
- 14 103 of this act.
- 15 NEW SECTION. Sec. 312. RCW 42.62.010 and 2023 c 360 s 1 are
- 16 each repealed.
- 17 PART IV
- 18 CONFORMING AMENDMENTS
- 19 **Sec. 401.** RCW 42.17A.001 and 2019 c 428 s 2 are each amended to 20 read as follows:
- It is hereby declared by the sovereign people to be the public policy of the state of Washington:
- 23 (1) That political campaign and lobbying contributions and 24 expenditures be fully disclosed to the public and that secrecy is to
- 25 be avoided.
 - 26 (2) That the people have the right to expect from their elected
 - 27 representatives at all levels of government the utmost of integrity,
 - 28 honesty, and fairness in their dealings.
 - 29 (3) That the people shall be assured that the private financial
 - 30 dealings of their public officials, and of candidates for those
 - 31 offices, present no conflict of interest between the public trust and
 - 32 private interest.
 - 33 (4) That our representative form of government is founded on a
 - 34 belief that those entrusted with the offices of government have

p. 19 SSB 5857

nothing to fear from full public disclosure of their financial and business holdings, provided those officials deal honestly and fairly with the people.

- (5) That public confidence in government at all levels is essential and must be promoted by all possible means.
- (6) That public confidence in government at all levels can best be sustained by assuring the people of the impartiality and honesty of the officials in all public transactions and decisions.
- (7) That the concept of attempting to increase financial participation of individual contributors in political campaigns is encouraged by the passage of the Revenue Act of 1971 by the Congress of the United States, and in consequence thereof, it is desirable to have implementing legislation at the state level.
- (8) That the concepts of disclosure and limitation of election campaign financing are established by the passage of the Federal Election Campaign Act of 1971 by the Congress of the United States, and in consequence thereof it is desirable to have implementing legislation at the state level.
- (9) That small contributions by individual contributors are to be encouraged, and that not requiring the reporting of small contributions may tend to encourage such contributions.
- (10) That the public's right to know of the financing of political campaigns and lobbying and the financial affairs of elected officials and candidates far outweighs any right that these matters remain secret and private.
- (11) That, mindful of the right of individuals to privacy and of the desirability of the efficient administration of government, full access to information concerning the conduct of government on every level must be assured as a fundamental and necessary precondition to the sound governance of a free society.

The provisions of this ((chapter)) title shall be liberally construed to promote complete disclosure of all information respecting the financing of political campaigns and lobbying, and the financial affairs of elected officials and candidates, and full access to public records so as to assure continuing public confidence of fairness of elections and governmental processes, and so as to assure that the public interest will be fully protected. In promoting such complete disclosure, however, this ((chapter)) title shall be enforced so as to ensure that the information disclosed will not be misused for arbitrary and capricious purposes and to ensure that all

p. 20 SSB 5857

- 1 persons reporting under this ((chapter)) title will be protected from
- 2 harassment and unfounded allegations based on information they have
- 3 freely disclosed.
- 4 **Sec. 402.** RCW 42.17A.010 and 2002 c 43 s 4 are each amended to read as follows:
- 6 Elections of conservation district supervisors held pursuant to 7 chapter 89.08 RCW shall not be considered general or special
- 8 elections for purposes of the campaign disclosure and personal
- 9 financial affairs reporting requirements of this ((chapter)) title.
- 10 Elected conservation district supervisors are not considered elected
- 11 officials for purposes of the annual personal financial affairs
- 12 reporting requirement of this ((chapter)) title.
- 13 **Sec. 403.** RCW 42.17A.020 and 1973 c 1 s 44 are each amended to 14 read as follows:
- 15 All statements and reports filed under this $((\frac{chapter}{}))$ <u>title</u>
- 16 shall be public records of the agency where they are filed, and shall
- 17 be available for public inspection and copying during normal business
- 18 hours at the expense of the person requesting copies, provided that
- 19 the charge for such copies shall not exceed actual cost to the
- 20 agency.
- 21 **Sec. 404.** RCW 42.17A.055 and 2019 c 428 s 4 are each amended to 22 read as follows:
- 23 (1) For each required report, as technology permits, the 24 commission shall make an electronic reporting tool available to all
- 25 those who are required to file that report under this $((\frac{chapter}{}))$
- 26 <u>title</u>.
- 27 (2) All persons required to file reports under this ((chapter))
- $\underline{\text{title}}$ must file them electronically where the commission has provided
- 29 an electronic option. The executive director may make exceptions on a
- 30 case-by-case basis for persons who lack the technological ability to
- 31 file reports electronically.
- 32 (3) If the electronic filing system provided by the commission is
- 33 inoperable for any period of time, the commission must keep a record
- 34 of the date and time of each instance and post outages on its
- website. If a report is due on a day the electronic filing system is
- 36 inoperable, it is not late if filed the first business day the system

p. 21 SSB 5857

is back in operation. The commission must provide notice to all reporting entities when the system is back in operation.

1

2

1920

2122

2324

25

26

2728

2930

31

32

33

34

35 36

- 3 (4) All persons required to file reports under this ((chapter)) title shall, at the time of initial filing, provide the commission an 4 email address, or other electronic contact information, that shall 5 6 constitute the official address for purposes of all communications 7 from the commission. The person required to file one or more reports must provide any new electronic contact information to the commission 8 within ((ten)) 10 days, if the address has changed from that listed 9 on the most recent report. Committees must provide the committee 10 11 treasurer's electronic contact information to the commission. Committees must also provide any new electronic contact information 12 for the committee's treasurer to the commission within ((ten)) 10 13 days of the change. The executive director may waive the electronic 14 contact information requirement and allow use of a postal address, 15 16 upon the showing of hardship.
- 17 **Sec. 405.** RCW 42.17A.060 and 2011 1st sp.s. c 43 s 732 are each 18 amended to read as follows:

It is the intent of the legislature to ensure that the commission provide the general public timely access to all contribution and expenditure reports submitted by candidates, continuing political committees, bona fide political parties, lobbyists, and lobbyists' employers. The legislature finds that failure to meet goals for full and timely disclosure threatens to undermine our electoral process.

Furthermore, the legislature intends for the commission to consult with the office of the chief information officer as it seeks to implement chapter 401, Laws of 1999, and that the commission follow the standards and procedures established by the office of the chief information officer in chapter 43.105 RCW as they relate to information technology.

- Sec. 406. RCW 42.17A.065 and 2019 c 428 s 5 are each amended to read as follows:
- By July 1st of each year, 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:
- 37 (1) The average number of days that elapse between the 38 commission's receipt of reports filed under RCW 42.17A.205 (as

p. 22 SSB 5857

- 1 recodified by this act), 42.17A.225 (as recodified by this act),
- 2 42.17A.235 (as recodified by this act), 42.17A.255 (as recodified by
- 3 this act), 42.17A.265 (as recodified by this act), 42.17A.600 (as
- 4 recodified by this act), 42.17A.615 (as recodified by this act),
- 5 42.17A.625 (as recodified by this act), and 42.17A.630 (as recodified
- 6 by this act) and the time that the report, a copy of the report, or a
- 7 copy of the data or information included in the report, is first
- 8 accessible to the general public (a) in the commission's office, and
- 9 (b) via the commission's website;
- 10 (2) The percentage of filers pursuant to RCW 42.17A.055 (as
- 11 <u>recodified by this act)</u> who have used: (a) Hard copy paper format; or
- 12 (b) electronic format.

22

2324

25

2627

31

38

- 13 **Sec. 407.** RCW 42.17A.100 and 2019 c 428 s 6 are each amended to 14 read as follows:
- (1) The public disclosure commission is established. The commission shall be composed of five commissioners appointed by the governor, with the consent of the senate. The commission shall have the authority and duties as set forth in this ((chapter)) title. All appointees shall be persons of the highest integrity and qualifications. No more than three commissioners shall have an
 - (2) The term of each commissioner shall be five years, which may continue until a successor is appointed, but may not exceed an additional ((twelve)) 12 months. No commissioner is eligible for appointment to more than one full term. Any commissioner may be removed by the governor, but only upon grounds of neglect of duty or misconduct in office.
- 28 (3)(a) During a commissioner's tenure, the commissioner is 29 prohibited from engaging in any of the following activities, either 30 within or outside the state of Washington:
 - (i) Holding or campaigning for elective office;

identification with the same political party.

- 32 (ii) Serving as an officer of any political party or political 33 committee;
- 34 (iii) Permitting the commissioner's name to be used in support of 35 or in opposition to a candidate or proposition;
- 36 (iv) Soliciting or making contributions to a candidate or in support of or in opposition to any candidate or proposition;
 - (v) Participating in any way in any election campaign; or

p. 23 SSB 5857

- (vi) Lobbying, employing, or assisting a lobbyist, except that a commissioner or the staff of the commission may lobby to the limited extent permitted by RCW 42.17A.635 (as recodified by this act) on matters directly affecting this ((chapter)) title.
- (b) This subsection is not intended to prohibit a commissioner from participating in or supporting nonprofit or other organizations, in the commissioner's private capacity, to the extent such participation is not prohibited under (a) of this subsection.
- 9 (c) The provisions of this subsection do not relieve a 10 commissioner of any applicable disqualification and recusal 11 requirements.
 - (4) A vacancy on the commission shall be filled within ((thirty)) 30 days of the vacancy by the governor, with the consent of the senate, and the appointee shall serve for the remaining term of the appointee's predecessor. A vacancy shall not impair the powers of the remaining commissioners to exercise all of the powers of the commission.
 - (5) Three commissioners shall constitute a quorum. The commission shall elect its own chair and adopt its own rules of procedure in the manner provided in chapter 34.05 RCW.
 - (6) Commissioners shall be compensated in accordance with RCW 43.03.250 and shall be reimbursed for travel expenses incurred while engaged in the business of the commission as provided in RCW 43.03.050 and 43.03.060. The compensation provided pursuant to this section shall not be considered salary for purposes of the provisions of any retirement system created under the laws of this state.
- **Sec. 408.** RCW 42.17A.105 and 2010 c 204 s 302 are each amended 28 to read as follows:

The commission shall:

- 30 (1) Develop and provide forms for the reports and statements 31 required to be made under this ((chapter)) title;
 - (2) Prepare and publish a manual setting forth recommended uniform methods of bookkeeping and reporting for use by persons required to make reports and statements under this ((chapter)) title;
- 35 (3) Compile and maintain a current list of all filed reports and statements:
- 37 (4) Investigate whether properly completed statements and reports 38 have been filed within the times required by this ((chapter)) title;

p. 24 SSB 5857

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

2

4

5 6

7

8

9

10 11

12

13 14

15

18

19

20 21

22

23

24 25

26

27

28 29

- (6) Conduct a sufficient number of audits and field investigations to provide a statistically valid finding regarding the degree of compliance with the provisions of this ((chapter)) title by all required filers. Any documents, records, reports, computer files, papers, or materials provided to the commission for use in conducting audits and investigations must be returned to the candidate, campaign, or political committee from which they were received within one week of the commission's completion of an audit or field investigation;
- (7) Prepare and publish an annual report to the governor as to the effectiveness of this ((chapter)) title and its enforcement by appropriate law enforcement authorities;
- 16 (8) Enforce this ((chapter)) title according to the powers 17 granted it by law;
 - (9) Adopt rules governing the arrangement, handling, indexing, and disclosing of those reports required by this ((chapter)) title to be filed with 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;
 - (10) Adopt rules to carry out the policies of chapter 348, Laws of 2006. The adoption of these rules is not subject to the time restrictions of RCW 42.17A.110(1) (as recodified by this act);
- (11) Adopt administrative rules establishing requirements for 30 31 filer participation in any system designed and implemented by the 32 commission for the electronic filing of reports; and
- 33 (12) Maintain and make available to the public and political committees of this state a toll-free telephone number. 34
- 35 Sec. 409. RCW 42.17A.110 and 2019 c 428 s 8 are each amended to read as follows: 36
- In addition to the duties in RCW 42.17A.105 (as recodified by 37 this act), the commission may: 38

p. 25 SSB 5857 (1) Adopt, amend, and rescind suitable administrative rules to carry out the policies and purposes of this ((chapter)) title, which rules shall be adopted under chapter 34.05 RCW. Any rule relating to campaign finance, political advertising, or related forms that would otherwise take effect after June 30th of a general election year shall take effect no earlier than the day following the general election in that year;

- (2) Appoint an executive director and set, within the limits established by the office of financial management under RCW 43.03.028, the executive director's compensation. The executive director shall perform such duties and have such powers as the commission may prescribe and delegate to implement and enforce this ((chapter)) title efficiently and effectively. The commission shall not delegate its authority to adopt, amend, or rescind rules nor may it delegate authority to determine that a violation of this ((chapter)) title has occurred or to assess penalties for such violations;
- 18 (3) Prepare and publish reports and technical studies as in its 19 judgment will tend to promote the purposes of this ((chapter)) title, 20 including reports and statistics concerning campaign financing, 21 lobbying, financial interests of elected officials, and enforcement 22 of this ((chapter)) title;
- 23 (4) Conduct, as it 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 records relevant to any investigation authorized under this ((chapter)) title, or any other proceeding under this ((chapter)) title;
 - (7) Adopt a code of fair campaign practices;
 - (8) Adopt rules relieving candidates or political committees of obligations to comply with election campaign provisions of this ((chapter)) title, if they have not received contributions nor made expenditures in connection with any election campaign of more than five thousand dollars;
 - (9) Develop and provide to filers a system for certification of reports required under this ((chapter)) title which are transmitted

p. 26 SSB 5857

- 1 electronically to the commission. Implementation of the program is 2 contingent on the availability of funds; and
- 3 (10) Make available and keep current on its website a glossary of 4 all defined terms in this ((chapter)) title and in rules adopted by 5 the commission.
- 6 **Sec. 410.** RCW 42.17A.120 and 2019 c 428 s 10 are each amended to read as follows:

10 11

12

13

14

1516

17

18

19

20

21

2223

24

25

26

27

28

2930

31

32

33

34

35

36

3738

39

- (1) The commission may suspend or modify any of the reporting requirements of this ((chapter)) title if it finds that literal application of this ((chapter)) title works a manifestly unreasonable hardship in a particular case and the suspension or modification will not frustrate the purposes of this ((chapter)) title. The commission may suspend or modify reporting requirements only to the extent necessary to substantially relieve the hardship and only after a hearing is held and the suspension or modification receives approval. A suspension or modification of the financial affairs reporting requirements in RCW 42.17A.710 (as recodified by this act) may be approved for an elected official's term of office or for up to three years for an executive state officer. If a material change in the applicant's circumstances or relevant information occurs or has occurred, the applicant must request a modification at least one month prior to the next filing deadline rather than at the conclusion of the term.
 - (2) A manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17A.710(1)(g)(ii) (as recodified by this act) would be likely to adversely affect the competitive position of any entity in which the person filing the report, or any member of the person's immediate family, holds any office, directorship, general partnership interest, or an ownership interest of ((ten)) 10 percent or more.
- (3) Requests for reporting modifications may be heard in a brief adjudicative proceeding as set forth in RCW 34.05.482 through 34.05.494 and in accordance with the standards established in this section. The commission, the commission chair acting as presiding officer, or another commissioner appointed by the chair to serve as presiding officer, may preside over a brief adjudicatory proceeding. If a modification is requested by a filer because of a concern for personal safety, the information submitted regarding that safety concern shall not be made public prior to, or at, the hearing on the

p. 27 SSB 5857

request. Any information provided or prepared for the modification hearing shall remain exempt from public disclosure under this ((chapter)) title and chapter 42.56 RCW to the extent it is determined at the hearing that disclosure of such information would present a personal safety risk to a reasonable person.

1

2

3

4

5

6

7

8

9

10 11

12

13

14 15

16

1718

1920

21

22

2324

25

2627

28

2930

31

32

33

34

35

36

- (4) If the commission, or presiding officer, grants a modification request, the commission or presiding officer may apply the modification retroactively to previously filed reports. In that event, previously reported information of the kind that is no longer being reported is confidential and exempt from public disclosure under this ((chapter)) title and chapter 42.56 RCW.
- (5) 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.
 - (6) The commission shall adopt rules governing the proceedings.

Sec. 411. RCW 42.17A.125 and 2019 c 428 s 11 are each amended to read as follows:

At least once every five years, but no more often than every two years, the commission must consider whether to revise the monetary contribution limits and reporting thresholds and code values of this ((chapter)) title. If the commission chooses to make revisions, the revisions shall be only for the purpose of recognizing economic changes as reflected by an inflationary index recommended by the office of financial management, and may be rounded off to amounts as determined by the commission to be most accessible for public understanding. The revisions shall be guided by the change in the index for the period commencing with the month of December preceding the last revision and concluding with the month of December preceding the month the revision is adopted. As to each of the three general categories of this ((chapter)) title, reports of campaign finance, reports of lobbyist activity, and reports of the financial affairs of elected and appointed officials, the revisions shall equally affect all thresholds within each category. The revisions authorized by this subsection shall reflect economic changes from the time of the last legislative enactment affecting the respective code or threshold.

Revisions made in accordance with this section shall be adopted as rules in accordance with chapter 34.05 RCW.

p. 28 SSB 5857

Sec. 412. RCW 42.17A.130 and 2010 c 205 s 8 and 2010 c 204 s 306 are each reenacted and amended to read as follows:

The attorney general, through his or her office, shall provide assistance as required by the commission to carry out its responsibilities under this ((chapter)) title. The commission may employ attorneys who are neither the attorney general nor an assistant attorney general to carry out any function of the attorney general prescribed in this ((chapter)) title.

- **Sec. 413.** RCW 42.17A.135 and 2019 c 428 s 12 are each amended to 10 read as follows:
- 11 (1) Except as provided in subsections (2), (3), and (7) of this 12 section, the reporting provisions of this ((chapter)) title do not 13 apply to:
 - (a) Candidates, elected officials, and agencies in political subdivisions with fewer than ((two thousand)) 2,000 registered voters as of the date of the most recent general election in the jurisdiction;
 - (b) Political committees formed to support or oppose candidates or ballot propositions in such political subdivisions; or
- 20 (c) Persons making independent expenditures in support of or 21 opposition to such ballot propositions.
 - (2) The reporting provisions of this ((chapter)) title apply in any exempt political subdivision from which a "petition for disclosure" containing the valid signatures of ((fifteen)) 15 percent of the number of registered voters, as of the date of the most recent general election in the political subdivision, is filed with the commission. The commission shall by rule prescribe the form of the petition. After the signatures are gathered, the petition shall be presented to the auditor or elections officer of the county, or counties, in which the political subdivision is located. The auditor or elections officer shall verify the signatures and certify to the commission that the petition contains no less than the required number of valid signatures. The commission, upon receipt of a valid petition, shall order every known affected person in the political subdivision to file the initially required statement and reports within ((fourteen)) 14 days of the date of the order.
 - (3) The reporting provisions of this ((chapter)) title apply in any exempt political subdivision that by ordinance, resolution, or other official action has petitioned the commission to make the

p. 29 SSB 5857

provisions applicable to elected officials and candidates of the exempt political subdivision. A copy of the action shall be sent to the commission. If the commission finds the petition to be a valid action of the appropriate governing body or authority, the commission shall order every known affected person in the political subdivision to file the initially required statement and reports within ((fourteen)) 14 days of the date of the order.

- (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.
- (5) Any petition for disclosure, ordinance, resolution, or official action of an agency petitioning the commission to void the exemption in RCW 42.17A.200(3) (as recodified by this act) shall not be considered unless it has been filed with the commission:
- (a) In the case of a ballot proposition, at least ((sixty)) 60 days before the date of any election in which campaign finance reporting is to be required;
- (b) In the case of a candidate, at least ((sixty)) 60 days before the first day on which a person may file a declaration of candidacy for any election in which campaign finance reporting is to be required.
- (6) Any person exempted from reporting under this ((chapter)) title may at the person's option file the statement and reports.
- (7) The reporting provisions of this ((chapter)) title apply to a candidate in any political subdivision if the candidate receives or expects to receive five thousand dollars or more in contributions.
- **Sec. 414.** RCW 42.17A.140 and 2019 c 428 s 13 are each amended to 31 read as follows:
- (1) Except as provided in subsection (2) of this section, the date of receipt of any properly addressed application, report, statement, notice, or payment required to be made under the provisions of this ((chapter)) title is the date shown by the post office cancellation mark on the envelope of the submitted material. The provisions of this section do not apply to reports required to be delivered under RCW 42.17A.265 (as recodified by this act) and

42.17A.625 (as recodified by this act).

p. 30 SSB 5857

- 1 (2) When a report is filed electronically with the commission, it is deemed to have been received on the file transfer date. The 2 commission shall notify the filer of receipt of the electronically 3 report. Such notification may be sent by 4 electronically. If the notification of receipt of the electronically 5 6 filed report is not received by the filer, the filer may offer proof 7 of sending the report, and such proof shall be treated as if it were a receipt sent by the commission. Electronic filing may be used for 8 9 purposes of filing the special reports required to be delivered under RCW 42.17A.265 (as recodified by this act) and 42.17A.625 (as 10 11 recodified by this act).
- 12 **Sec. 415.** RCW 42.17A.145 and 1973 c 1 s 43 are each amended to 13 read as follows:
- Every report and statement required to be filed under this ((chapter)) title shall identify the person preparing it, and shall be certified as complete and correct, both by the person preparing it and by the person on whose behalf it is filed.
- 18 **Sec. 416.** RCW 42.17A.150 and 2010 c 205 s 9 are each amended to 19 read as follows:
- The commission must preserve statements or reports required to be filed under this $((\frac{\text{chapter}}{}))$ title for not less than $((\frac{\text{ten}}{}))$ 22 years.
- 23 **Sec. 417.** RCW 42.17A.160 and 2019 c 428 s 9 are each amended to 24 read as follows:

26

2728

29

3031

- (1) The commission may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in Thurston county, the county where the subpoenaed person resides or is found, or the county where the subpoenaed documents, records, or evidence are located. The application must:
 - (a) State that an order is sought under this section;
- 32 (b) Adequately specify the documents, records, evidence, or 33 testimony; and
- 34 (c) Include a declaration made under oath that an investigation 35 is being conducted for a lawfully authorized purpose related to an 36 investigation within the commission's authority and that the

p. 31 SSB 5857

subpoenaed documents, records, evidence, or testimony are reasonably related to an investigation within the commission's authority.

- (2) When an application under this section is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this subsection constitutes authority of law for the agency to subpoena the documents, records, evidence, or testimony.
- (3) The commission may seek approval and a court may issue an order under this section without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation. An application for court approval is subject to the fee and process set forth in RCW 36.18.012(3).
- **Sec. 418.** RCW 42.17A.200 and 2010 c 204 s 401 are each amended 15 to read as follows:
 - The provisions of this ((chapter)) title relating to the financing of election campaigns shall apply in all election campaigns other than (1) 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 encompass a whole county and that contains fewer than ((five thousand)) 5,000 registered voters as of the date of the most recent general election in the subdivision, unless required by RCW 42.17A.135 (2) through (5) and (7) (as recodified by this act).
- **Sec. 419.** RCW 42.17A.205 and 2019 c 428 s 14 are each amended to 26 read as follows:
 - (1) Every political committee shall file a statement of organization with the commission. The statement must be filed within two weeks after organization or within two weeks after the date the committee first has the expectation of receiving contributions or making expenditures in any election campaign, whichever is earlier. A political committee organized within the last three weeks before an election and having the expectation of receiving contributions or making expenditures during 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.

p. 32 SSB 5857

- 1 (2) The statement of organization shall include but not be limited to:
- 3 (a) The name, address, and electronic contact information of the 4 committee;
- 5 (b) The names, addresses, and electronic contact information of 6 all related or affiliated committees or other persons, and the nature 7 of the relationship or affiliation;
- 8 (c) The names, addresses, and titles of its officers; or if it 9 has no officers, the names, addresses, and titles of its responsible 10 leaders;
- 11 (d) The name, address, and electronic contact information of its 12 treasurer and depository;
 - (e) A statement whether the committee is a continuing one;

1516

17

18

19

2021

22

23

24

25

26

27

2829

30 31

32

33

34

3536

37

38

3940

- (f) The name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing, and, if the committee is supporting the entire ticket of any party, the name of the party;
- (g) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition;
- (h) What distribution of surplus funds will be made, in accordance with RCW 42.17A.430 (as recodified by this act), in the event of dissolution;
- (i) Such other information as the commission may by rule prescribe, in keeping with the policies and purposes of this ((chapter)) title;
- (j) The name, address, and title of any person who authorizes expenditures or makes decisions on behalf of the candidate or committee; and
- (k) The name, address, and title of any person who is paid by or is a volunteer for a candidate or political committee to perform ministerial functions and who performs ministerial functions on behalf of two or more candidates or committees.
 - (3) No two political committees may have the same name.
- (4) Any material change in information previously submitted in a statement of organization shall be reported to the commission within the ((ten)) 10 days following the change.
- (5) As used in this section, the "name" of a sponsored committee must include the name of the person who is the sponsor of the committee. If more than one person meets the definition of sponsor, the name of the committee must include the name of at least one

p. 33 SSB 5857

- 1 sponsor, but may include the names of other sponsors. A person may
- 2 sponsor only one political committee for the same elected office or
- 3 same ballot proposition per election cycle.

7

8

22

2324

25

26

27

28

2930

31

3233

- 4 **Sec. 420.** RCW 42.17A.207 and 2019 c 428 s 15 are each amended to read as follows:
 - (1) (a) An incidental committee must file a statement of organization with the commission within two weeks after the date the committee first:
- 9 (i) Has the expectation of making any expenditures aggregating at 10 least twenty-five thousand dollars in a calendar year in any election 11 campaign, or to a political committee; and
- 12 (ii) Is required to disclose a payment received under RCW 13 42.17A.240(2)(d) (as recodified by this act).
- 14 (b) If an incidental committee first meets the criteria requiring 15 filing a statement of organization as specified in (a) of this 16 subsection in the last three weeks before an election, then it must 17 file the statement of organization within three business days.
- 18 (2) The statement of organization must include but is not limited 19 to:
- 20 (a) The name, address, and electronic contact information of the committee;
 - (b) The names and addresses of all related or affiliated political or incidental committees or other persons, and the nature of the relationship or affiliation;
 - (c) The names, addresses, and titles of its officers; or if it has no officers, the names, addresses, and titles of its responsible leaders and the name of the person designated as the treasurer of the incidental committee;
 - (d) The name, office sought, and party affiliation of each candidate whom the committee is supporting or opposing if the committee contributes directly to a candidate and, if donating to a political committee, the name and address of that political committee;
- 34 (e) The ballot proposition concerned, if any, and whether the 35 committee is in favor of or opposed to such proposition; and
- 36 (f) Such other information as the commission may by rule 37 prescribe, in keeping with the policies and purposes of this 38 ((chapter)) title.

p. 34 SSB 5857

- 1 (3) Any material change in information previously submitted in a 2 statement of organization must be reported to the commission within 3 the ((ten)) 10 days following the change.
- 4 **Sec. 421.** RCW 42.17A.210 and 2019 c 428 s 16 are each amended to read as follows:

7

8

9

17

1819

20

27

2829

30

31

32

3334

35

3637

38

- (1) Each candidate, within two weeks after becoming a candidate, and each political committee, at the time it is required to file a statement of organization, shall designate and file with the commission the name and address of one legally competent individual, who may be the candidate, to serve as a treasurer.
- 11 (2) A candidate, a political committee, or a treasurer may 12 appoint as many deputy treasurers as is considered necessary and 13 shall file the names and addresses of the deputy treasurers with the 14 commission.
- 15 (3)(a) A candidate or political committee may at any time remove 16 a treasurer or deputy treasurer.
 - (b) In the event of the death, resignation, removal, or change of a treasurer or deputy treasurer, the candidate or political committee shall designate and file with the commission the name and address of any successor.
- 21 (4) No treasurer or deputy treasurer may be deemed to be in 22 compliance with the provisions of this ((chapter)) title until the 23 treasurer's or deputy treasurer's name, address, and electronic 24 contact information is filed with the commission.
- 25 **Sec. 422.** RCW 42.17A.215 and 2019 c 428 s 17 are each amended to 26 read as follows:

Each candidate and each political committee shall designate and file with the commission the name and address of not more than one depository for each county in which the campaign is conducted in which the candidate's or political committee's accounts are maintained and the name of the account or accounts maintained in that depository on behalf of the candidate or political committee. The candidate or political committee may at any time change the designated depository and shall file with the commission the same information for the successor depository as for the original depository. The candidate or political committee may not be deemed in compliance with the provisions of this ((chapter)) title until the information required for the depository is filed with the commission.

p. 35 SSB 5857

- 1 **Sec. 423.** RCW 42.17A.220 and 2018 c 304 s 5 are each amended to read as follows:
- 3 (1) All monetary contributions received by a candidate or political committee shall be deposited by candidates, political 4 committee members, paid staff, or treasurers in a depository in an 5 6 account established and designated for that purpose. Such deposits 7 shall be made within five business days of receipt of the contribution. For online or credit card contributions, the 8 contribution is considered received at the time the transfer is made 9 from the merchant account to a candidate or political committee 10 account, except that a contribution made to a candidate who is a 11 12 state official or legislator outside the restriction period established in RCW 42.17A.560 (as recodified by this act), but 13 transferred to the candidate's account within the restricted period, 14 is considered received outside of the restriction period. 15
 - (2) Political committees 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 only if:
 - (a) Each such account bears the same name;

17

18

19

20

23

2425

26

27

28

29

30 31

32

33

34

35

36

37

- 21 (b) Each such account is followed by an appropriate designation 22 that accurately identifies its separate purpose; and
 - (c) Transfers of funds that must be reported under RCW $42.17A.240((\frac{5}{0}))$ (6) as recodified by this act are not made from more than one such account.
 - (3) Nothing in this section prohibits a candidate or political committee from investing funds on hand in a depository in bonds, certificates, or tax-exempt securities, or in savings accounts or other similar instruments in financial institutions, or in mutual funds other than the depository but only if:
 - (a) The commission is notified in writing of the initiation and the termination of the investment; and
 - (b) The principal of such investment, when terminated together with all interest, dividends, and income derived from the investment, is deposited in the depository in the account from which the investment was made and properly reported to the commission before any further disposition or expenditure.
- 38 (4) Accumulated unidentified contributions, other than those made 39 by persons whose names must be maintained on a separate and private 40 list by a political committee's treasurer pursuant to RCW

p. 36 SSB 5857

- 42.17A.240(2) (as recodified by this act), in excess of one percent of the total accumulated contributions received in the current calendar year, or three hundred dollars, whichever is more, may not be deposited, used, or expended, but shall be returned to the donor if his or her identity can be ascertained. If the donor cannot be ascertained, the contribution shall escheat to the state and shall be paid to the state treasurer for deposit in the state general fund.
- **Sec. 424.** RCW 42.17A.225 and 2019 c 428 s 18 are each amended to 9 read as follows:

- (1) In addition to the provisions of this section, a continuing political committee shall file and report on the same conditions and at the same times as any other committee in accordance with the provisions of RCW 42.17A.205 (as recodified by this act), 42.17A.210 (as recodified by this act), and 42.17A.220 (as recodified by this act).
 - (2) A continuing political committee shall file with the commission a report on the tenth day of each month detailing expenditures made and contributions received for the preceding calendar month. This report need only be filed if either the total contributions received or total expenditures made since the last such report exceed two hundred dollars. The report shall be on a form supplied by the commission and shall include the following information:
- (a) The information required by RCW 42.17A.240 (as recodified by this act);
- (b) Each expenditure made to retire previously accumulated debts of the committee identified by recipient, amount, and date of payments;
 - (c) Other information the commission shall prescribe by rule.
- (3) If a continuing political committee makes a contribution in support of or in opposition to a candidate or ballot proposition within ((sixty)) 60 days before the date that the candidate or ballot proposition will be voted upon, the committee shall report pursuant to RCW 42.17A.235 (as recodified by this act).
- (4)(a) A continuing political committee shall file reports as required by this ((chapter)) title until the committee has ceased to function and intends to dissolve, at which time, when there is no outstanding debt or obligation and the committee is concluded in all respects, a final report shall be filed. Upon submitting a final

p. 37 SSB 5857

report, the continuing political committee so intending to dissolve must file notice of intent to dissolve with the commission and the commission must post the notice on its website.

- (b) The continuing political committee may dissolve ((sixty)) 60 days after it files its notice to dissolve, only if:
- (i) The continuing political committee does not make any expenditures other than those related to the dissolution process or engage in any political activity or any other activities that generate additional reporting requirements under this ((chapter)) title after filing such notice;
- (ii) No complaint or court action, pursuant to this ((chapter)) title, is pending against the continuing political committee; and
- (iii) All penalties assessed by the commission or court order have been paid by the continuing political committee.
 - (c) The continuing political committee must continue to report regularly as required under this ((chapter)) title until all the conditions under (b) of this subsection are resolved.
 - (d) Upon dissolution, the commission must issue an acknowledgment of dissolution, the duties of the treasurer shall cease, and there shall be no further obligations under this ((chapter)) title. Dissolution does not absolve the candidate or board of the committee from responsibility for any future obligations resulting from the finding after dissolution of a violation committed prior to dissolution.
 - (5) The treasurer shall maintain books of account, current within five business days, that accurately reflect all contributions and expenditures. During the ((ten)) 10 calendar days immediately preceding the date of any election that the committee has received any contributions or made any expenditures, the 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 candidates and other political committees in RCW 42.17A.235(6) (as recodified by this act).
- (6) All reports filed pursuant to this section shall be certified as correct by the treasurer.
- (7) The treasurer shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred.

p. 38 SSB 5857

- **Sec. 425.** RCW 42.17A.230 and 2019 c 428 s 19 are each amended to read as follows:
 - (1) Fund-raising activities 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 42.17A.235 (as recodified by this act).
 - (2) Standards:

- (a) The activity consists of one or more of the following:
- 9 (i) A sale of goods or services sold at a reasonable 10 approximation of the fair market value of each item or service; or
 - (ii) A gambling operation that is licensed, conducted, or operated in accordance with the provisions of chapter 9.46 RCW; or
 - (iii) A gathering where food and beverages are purchased and the price of admission or the per person charge for the food and beverages is no more than twenty-five dollars; or
 - (iv) A concert, dance, theater performance, or similar entertainment event and the price of admission is no more than twenty-five dollars; or
 - (v) An auction or similar sale for which the total fair market value or cost of items donated by any person is no more than fifty dollars; and
 - (b) No person responsible for receiving money at the fund-raising activity knowingly accepts payments from a single person at or from such an activity to the candidate or committee aggregating more than fifty dollars unless the name and address of the person making the payment, together with the amount paid to the candidate or committee, are disclosed in the report filed pursuant to subsection (6) of this section; and
 - (c) Any other standards established by rule of the commission to prevent frustration of the purposes of this ((chapter)) title.
 - (3) All funds received from a fund-raising activity that conforms with subsection (2) of this section must be deposited in the depository within five business days of receipt by the treasurer or deputy treasurer.
 - (4) At the time reports are required under RCW 42.17A.235 <u>(as recodified by this act)</u>, the treasurer or deputy treasurer making the deposit shall file with the commission a report of the fund-raising activity which must contain the following information:
 - (a) The date of the activity;

p. 39 SSB 5857

- 1 (b) A precise description of the fund-raising methods used in the activity; and
- 3 (c) The total amount of cash receipts from persons, each of whom 4 paid no more than fifty dollars.
 - (5) The treasurer or deputy treasurer shall certify the report is correct.

- (6) The treasurer shall report pursuant to RCW 42.17A.235 (as recodified by this act) and 42.17A.240 (as recodified by this act):
- (a) The name and address and the amount contributed by each person 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; and
- 13 (b) The name and address and the amount paid by each person whose 14 identity can be ascertained, who made a contribution to the candidate 15 or committee aggregating more than fifty dollars at or from such a 16 fund-raising activity.
- **Sec. 426.** RCW 42.17A.235 and 2019 c 428 s 20 are each amended to 18 read as follows:
 - (1) (a) In addition to the information required under RCW 42.17A.205 (as recodified by this act) and 42.17A.210 (as recodified by this act), each candidate or political committee must file with the commission a report of all contributions received and expenditures made as a political committee on the next reporting date pursuant to the timeline established in this section.
 - (b) In addition to the information required under RCW 42.17A.207 (as recodified by this act) and 42.17A.210 (as recodified by this act), on the day an incidental committee files a statement of organization with the commission, each incidental committee must file with the commission a report of any election campaign expenditures under RCW 42.17A.240(($\frac{6}{10}$)) (7) (as recodified by this act), as well as the source of the ($\frac{10}{10}$) largest cumulative payments of ten thousand dollars or greater it received in the current calendar year from a single person, including any persons tied as the ($\frac{10}{10}$) 10th largest source of payments it received, if any.
 - (2) Each treasurer of a candidate or political committee, or an incidental committee, required to file a statement of organization under this ((chapter)) title, shall file with the commission a report, for each election in which a candidate, political committee, or incidental committee is participating, containing the information

p. 40 SSB 5857

required by RCW 42.17A.240 (as recodified by this act) at the following intervals:

- (a) On the ((twenty-first)) 21st day and the seventh day immediately preceding the date on which the election is held; and
- (b) On the ((tenth)) 10th day of the first full month after the election.
- (3) (a) Each treasurer of a candidate or political committee shall file with the commission a report on the ((tenth)) 10th day of each month during which the candidate or political committee is not participating in an election campaign, 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.
- (b) Each incidental committee shall file with the commission a report on the ((tenth)) 10th day of each month during which the incidental committee is not otherwise required to report under this section only if the committee has:
- (i) Received a payment that would change the information required under RCW 42.17A.240(2)(d) (as recodified by this act) as included in its last report; or
- (ii) Made any election campaign expenditure reportable under RCW $42.17A.240((\frac{(6)}{(6)}))$ (7) (as recodified by this act) since its last report, and the total election campaign expenditures made since the last report exceed two hundred dollars.
- (4) The report filed ((twenty-one)) 21 days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. The report filed seven days before the election shall report all contributions received and expenditures made as of the end of one business day before the date of the report. Reports filed on the ((tenth)) 10th day of the month shall report all contributions received and expenditures made from the closing date of the last report filed through the last day of the month preceding the date of the current report.
- (5) For the period beginning the first day of the fourth month preceding the date of the special election, or for the period beginning the first day of the fifth month before the date of the general election, and ending on the date of that special or general election, each Monday the treasurer for a candidate or a political

p. 41 SSB 5857

committee shall file with the commission a report of each bank deposit made during the previous seven calendar days. The report shall contain the name of each person contributing the funds and the amount contributed by each person. However, persons who contribute no more than twenty-five dollars in the aggregate are not required to be identified in the report. A copy of the report shall be retained by the treasurer for the treasurer's records. In the event of deposits made by candidates, political committee members, or paid staff other than the treasurer, the copy shall be immediately provided to the treasurer for the treasurer's records. Each report shall be certified as correct by the treasurer.

1

2

3

4

5

7

8

9

10 11

12

13

1415

16

17

18

19

2021

22

23

2425

26

2728

29

30 31

32

33

34

35

36

37

3839

40

(6)(a) The treasurer for a candidate or a political committee shall maintain books of account accurately reflecting all contributions and expenditures on a current basis within five business days of receipt or expenditure. During the ((ten)) 10 calendar days immediately preceding the date of the election the books of account shall be kept current within one business day. As specified in the political committee's statement of organization filed under RCW 42.17A.205 (as recodified by this act), the books of account must be open for public inspection by appointment at a place agreed upon by both the treasurer and the requestor, for inspections between 9:00 a.m. and 5:00 p.m. on any day from the ((tenth)) 10th calendar day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday. It is a violation of this ((chapter)) title for a candidate or political committee to refuse to allow and keep an appointment for an inspection to be conducted during these authorized times and days. The appointment must be allowed at an authorized time and day for such inspections that is within ((forty-eight)) 48 hours of the time and day that is requested for the inspection. The treasurer may provide digital access or copies of the books of account in lieu of scheduling an appointment at a designated place for inspection. If the treasurer and requestor are unable to agree on a location and the treasurer has not provided digital access to the books of account, the default location for an appointment shall be a place of public accommodation selected by the treasurer within a reasonable distance from the treasurer's office.

(b) At the time of making the appointment, a person wishing to inspect the books of account must provide the treasurer the name and telephone number of the person wishing to inspect the books of

p. 42 SSB 5857

- account. The person inspecting the books of account must show photo identification before the inspection begins.
- (c) A treasurer may refuse to show the books of account to any person who does not make an appointment or provide the required identification. The commission may issue limited rules to modify the requirements set forth in this section in consideration of other technology and best practices.
- (7) Copies of all reports filed pursuant to this section shall be readily available for public inspection by appointment, pursuant to subsection (6) of this section.
- (8) The treasurer or candidate shall preserve books of account, bills, receipts, and all other financial records of the campaign or political committee for not less than five calendar years following the year during which the transaction occurred or for any longer period as otherwise required by law.
- 16 (9) All reports filed pursuant to subsection (1) or (2) of this 17 section shall be certified as correct by the candidate and the 18 treasurer.
 - (10) Where there is not a pending complaint concerning a report, it is not evidence of a violation of this section to submit an amended report within ((twenty-one)) 21 days of filing an initial report if:
 - (a) The report is accurately amended;

- 24 (b) The amended report is filed more than ((thirty)) 30 days 25 before an election;
 - (c) The total aggregate dollar amount of the adjustment for the amended report is within three times the contribution limit per election or two hundred dollars, whichever is greater; and
 - (d) The committee reported all information that was available to it at the time of filing, or made a good faith effort to do so, or if a refund of a contribution or expenditure is being reported.
 - (11)(a) When there is no outstanding debt or obligation, the campaign fund is closed, the campaign is concluded in all respects, and the political committee has ceased to function and intends to dissolve, the treasurer shall file a final report. Upon submitting a final report, the political committee so intending to dissolve must file notice of intent to dissolve with the commission and the commission must post the notice on its website.
- 39 (b) Any political committee may dissolve ((sixty)) 60 days after 40 it files its notice to dissolve, only if:

p. 43 SSB 5857

(i) The political committee does not make any expenditures other than those related to the dissolution process or engage in any political activity or any other activities that generate additional reporting requirements under this ((chapter)) title after filing such notice;

1

2

3

4

5

7

24

25

2627

28

2930

31

32

33

34

35

36

- (ii) No complaint or court action under this ((chapter)) title is pending against the political committee; and
- 8 (iii) All penalties assessed by the commission or court order 9 have been paid by the political committee.
- 10 (c) The political committee must continue to report regularly as
 11 required under this ((chapter)) title until all the conditions under
 12 (b) of this subsection are resolved.
- (d) Upon dissolution, the commission must issue an acknowledgment of dissolution, the duties of the treasurer shall cease, and there shall be no further obligations under this ((chapter)) title. Dissolution does not absolve the candidate or board of the committee from responsibility for any future obligations resulting from the finding after dissolution of a violation committed prior to dissolution.
- 20 (12) The commission must adopt rules for the dissolution of incidental committees.
- 22 **Sec. 427.** RCW 42.17A.240 and 2020 c 152 s 3 are each amended to 23 read as follows:
 - Each report required under RCW 42.17A.235 (1) through (4) (as recodified by this act) must be certified as correct by the treasurer and the candidate and shall disclose the following, except an incidental committee only must disclose and certify as correct the information required under subsections (2)(d) and (7) of this section:
 - (1) The funds on hand at the beginning of the period;
 - (2) The name and address of each person who has made one or more contributions during the period, together with the money value and date of each contribution and the aggregate value of all contributions received from each person during the campaign, or in the case of a continuing political committee, the current calendar year, with the following exceptions:
- 37 (a) Pledges in the aggregate of less than one hundred dollars 38 from any one person need not be reported;

p. 44 SSB 5857

(b) Income that results from a fund-raising activity conducted in accordance with RCW 42.17A.230 (as recodified by this act) may be reported as one lump sum, with the exception of that portion received from persons whose names and addresses are required to be included in the report required by RCW 42.17A.230 (as recodified by this act);

- (c) Contributions of no more than twenty-five dollars in the aggregate from any one person during the election campaign may be reported as one lump sum if the treasurer maintains a separate and private list of the name, address, and amount of each such contributor;
- (d) Payments received by an incidental committee from any one person need not be reported unless the person is one of the committee's ((ten)) 10 largest sources of payments received, including any persons tied as the ((tenth)) 10th largest source of payments received, during the current calendar year, and the value of the cumulative payments received from that person during the current calendar year is ten thousand dollars or greater. For payments to incidental committees from multiple persons received in aggregated form, any payment of more than ten thousand dollars from any single person must be reported, but the aggregated payment itself may not be reported. The commission may suspend or modify reporting requirements for payments received by an incidental committee in cases of manifestly unreasonable hardship under this ((chapter)) title;
- (e) Payments from private foundations organized under section 501(c)(3) of the internal revenue code to an incidental committee do not have to be reported if:
 - (i) The private foundation is contracting with the incidental committee for a specific purpose other than election campaign purposes;
- 30 (ii) Use of the funds for election campaign purposes is 31 explicitly prohibited by contract; and
- 32 (iii) Funding from the private foundation represents less than 33 ((twenty-five)) 25 percent of the incidental committee's total 34 budget;
 - (f) Commentary or analysis on a ballot proposition by an incidental committee is not considered a contribution if it does not advocate specifically to vote for or against the ballot proposition; and
- 39 (g) The money value of contributions of postage is the face value 40 of the postage;

p. 45 SSB 5857

(3) Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, including the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;

- (4) All other contributions not otherwise listed or exempted;
- (5) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making a contribution to the candidate or political committee that:
- (a) The contribution is not financed in any part by a foreign national; and
- (b) Foreign nationals are not involved in making decisions regarding the contribution in any way;
- (6) The name and address of each candidate or political committee to which any transfer of funds was made, including the amounts and dates of the transfers;
- (7) The name and address of each person to whom an expenditure was made in the aggregate amount of more than fifty dollars during the period covered by this report, the amount, date, and purpose of each expenditure, and the total sum of all expenditures. An incidental committee only must report on expenditures, made and reportable as contributions as defined in ((RCW 42.17A.005)) section 216 of this act, to election campaigns. For purposes of this subsection, commentary or analysis on a ballot proposition by an incidental committee is not considered an expenditure if it does not advocate specifically to vote for or against the ballot proposition;
- (8) The name, address, and electronic contact information of each person to whom an expenditure was made for soliciting or procuring signatures on an initiative or referendum petition, the amount of the compensation to each person, and the total expenditures made for this purpose. Such expenditures shall be reported under this subsection in addition to what is required to be reported under subsection (7) of this section;
- (9) (a) The name and address of any person and the amount owed for any debt with a value of more than seven hundred fifty dollars that has not been paid for any invoices submitted, goods received, or services performed, within five business days during the period within ((thirty)) 30 days before an election, or within ((ten)) 10 business days during any other period.

p. 46 SSB 5857

- 1 (b) For purposes of this subsection, debt does not include 2 regularly recurring expenditures of the same amount that have already 3 been reported at least once and that are not late or outstanding;
 - (10) The surplus or deficit of contributions over expenditures;
 - (11) The disposition made in accordance with RCW 42.17A.430 (as recodified by this act) of any surplus funds; and
 - (12) Any other information required by the commission by rule in conformance with the policies and purposes of this ((chapter)) title.
- 9 **Sec. 428.** RCW 42.17A.250 and 2020 c 152 s 4 are each amended to 10 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 42.17A.205 (as recodified by this act) through 42.17A.240 (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:
 - (a) Its name and address;

5

7

8

1112

13

1415

16

17

18

1920

24

25

2627

28

2930

31

32

33

3435

36

- (b) The purposes of the out-of-state committee;
- (c) The names, addresses, and titles of its officers or, if it has no officers, the names, addresses, and the titles of its responsible leaders;
 - (d) The name, office sought, and party affiliation of each candidate in the state of Washington whom the out-of-state committee is supporting or opposing and, if the committee is supporting or opposing the entire ticket of any party, the name of the party;
 - (e) The ballot proposition supported or opposed in the state of Washington, if any, and whether the committee is in favor of or opposed to that proposition;
 - (f) The name and address of each person residing in the state of Washington or corporation 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 the contributions;
- 37 (g) The name, address, and employer of each person or corporation 38 residing outside the state of Washington who has made one or more 39 contributions in the aggregate of more than two thousand five hundred

p. 47 SSB 5857

fifty dollars to the out-of-state committee during the current calendar year, together with the money value and date of the contributions. Annually, the commission must modify the two thousand five hundred fifty dollar limit in this subsection based percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent ((twelve)) 12-month period by the bureau of economic analysis of the federal department of commerce;

- (h) The name and address of each person in the state of Washington to whom an expenditure was made by the out-of-state committee with respect to a candidate or political committee in the aggregate amount of more than fifty dollars, the amount, date, and purpose of the expenditure, and the total sum of the expenditures;
- (i) A statement that the out-of-state committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making a contribution reportable under this section that:
- (i) The contribution is not financed in any part by a foreign national; and
- (ii) Foreign nationals are not involved in making decisions regarding the contribution in any way; and
- (j) Any other information as the commission may prescribe by rule in keeping with the policies and purposes of this ((chapter)) title.
- (2) Each statement shall be filed no later than the ((tenth)) 10th day of the month following any month in which a contribution or other expenditure reportable under subsection (1) of this section is made. An out-of-state committee incurring an obligation to file additional statements in a calendar year may satisfy the obligation by timely filing reports that supplement previously filed information.
- Sec. 429. RCW 42.17A.255 and 2020 c 152 s 5 are each amended to read as follows:
- 33 (1) For the purposes of this section the term "independent expenditure" means any expenditure that is made in support of or in opposition to any candidate or ballot proposition and is not otherwise required to be reported pursuant to RCW 42.17A.225 (as recodified by this act), 42.17A.235 (as recodified by this act), and 42.17A.240 (as recodified by this act). "Independent expenditure" does not include: An internal political communication primarily

p. 48 SSB 5857

1 limited to the contributors to a political party organization or political action committee, or the officers, management staff, and 2 stockholders of a corporation or similar enterprise, or the members 3 of a labor organization or other membership organization; or the 4 rendering of personal services of the sort commonly performed by 5 6 volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars 7 personally paid for by the worker. "Volunteer services," for the 8 purposes of this section, means services or labor for which the 9 individual is not compensated by any person. 10

11

12

13

14

1516

17

18

1920

25

26

27

28

29

30

3132

33

34

3536

37

- (2) Within five days after the date of making an independent expenditure that by itself or when added to all other such independent expenditures made during the same election campaign by the same person equals one hundred dollars or more, or within five days after the date of making an independent expenditure for which no reasonable estimate of monetary value is practicable, whichever occurs first, the person who made the independent expenditure shall file with the commission an initial report of all independent expenditures made during the campaign prior to and including such date.
- 21 (3) At the following intervals each person who is required to 22 file an initial report pursuant to subsection (2) of this section 23 shall file with the commission a further report of the independent 24 expenditures made since the date of the last report:
 - (a) On the ((twenty-first)) 21st day and the seventh day preceding the date on which the election is held; and
 - (b) On the ((tenth)) 10th day of the first month after the election; and
 - (c) On the ((tenth)) 10th 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.
 - The report filed pursuant to (a) of this subsection (3) shall be the final report, and upon submitting such final report the duties of the reporting person shall cease, and there shall be no obligation to make any further reports.
- 38 (4) All reports filed pursuant to this section shall be certified 39 as correct by the reporting person.

p. 49 SSB 5857

- (5) Each report required by subsections (2) and (3) of this section shall disclose for the period beginning at the end of the period for the last previous report filed or, in the case of an initial report, beginning at the time of the first independent expenditure, and ending not more than one business day before the date the report is due:
- (a) The name, address, and electronic contact information of the person filing the report;
- (b) The name and address of each person to whom an independent expenditure was made in the aggregate amount of more than fifty dollars, and the amount, date, and purpose of each such expenditure. If no reasonable estimate of the monetary value of a particular independent expenditure is practicable, it is sufficient to report instead a precise description of services, property, or rights furnished through the expenditure and where appropriate to attach a copy of the item produced or distributed by the expenditure;
- 17 (c) The total sum of all independent expenditures made during the campaign to date;
- 19 (d) A statement from the person making an independent expenditure 20 that:
- 21 (i) The expenditure is not financed in any part by a foreign 22 national; and
- 23 (ii) Foreign nationals are not involved in making decisions 24 regarding the expenditure in any way; and
- (e) Such other information as shall be required by the commission by rule in conformance with the policies and purposes of this ((chapter)) title.
- 28 **Sec. 430.** RCW 42.17A.260 and 2020 c 152 s 6 are each amended to 29 read as follows:
- 30 (1) The sponsor of political advertising shall file a special report to the commission within ((twenty-four)) 24 hours of, or on the first working day after, the date the political advertising is first published, mailed, or otherwise presented to the public, if the political advertising:
- 35 (a) Is published, mailed, or otherwise presented to the public 36 within ((twenty-one)) 21 days of an election; and
 - (b) Either:

2

3

5

7

8

9

10

1112

13

14

1516

37

p. 50 SSB 5857

- (i) Qualifies as an independent expenditure with a fair market value or actual cost of one thousand dollars or more, for political advertising supporting or opposing a candidate; or
- (ii) Has a fair market value or actual cost of one thousand dollars or more, for political advertising supporting or opposing a ballot proposition.
- (2) If a sponsor is required to file a special report under this section, the sponsor shall also deliver to the commission within the delivery period established in subsection (1) of this section a special report for each subsequent independent expenditure of any size supporting or opposing the same candidate who was the subject of the previous independent expenditure, supporting or opposing that candidate's opponent, or, in the case of a subsequent expenditure of any size made in support of or in opposition to a ballot proposition not otherwise required to be reported pursuant to RCW 42.17A.225 (as recodified by this act), 42.17A.235 (as recodified by this act), or 42.17A.240 (as recodified by this act), supporting or opposing the same ballot proposition that was the subject of the previous expenditure.
 - (3) The special report must include:

- (a) The name and address of the person making the expenditure;
- 22 (b) The name and address of the person to whom the expenditure 23 was made;
 - (c) A detailed description of the expenditure;
 - (d) The date the expenditure was made and the date the political advertising was first published or otherwise presented to the public;
 - (e) The amount of the expenditure;
 - (f) The name of the candidate supported or opposed by the expenditure, the office being sought by the candidate, and whether the expenditure supports or opposes the candidate; or the name of the ballot proposition supported or opposed by the expenditure and whether the expenditure supports or opposes the ballot proposition;
 - (g) A statement from the sponsor that:
 - (i) The political advertising is not financed in any part by a foreign national; and
- 36 (ii) Foreign nationals are not involved in making decisions 37 regarding the political advertising in any way; and
 - (h) Any other information the commission may require by rule.
- 39 (4) All persons required to report under RCW 42.17A.225 (as 40 recodified by this act), 42.17A.235 (as recodified by this act),

p. 51 SSB 5857

42.17A.240 (as recodified by this act), 42.17A.255 (as recodified by this act), and 42.17A.305 (as recodified by this act) are subject to the requirements of this section. The commission may determine that reports filed pursuant to this section also satisfy the requirements of RCW 42.17A.255 (as recodified by this act).

- (5) The sponsor of independent expenditures supporting a candidate or opposing that candidate's opponent required to report under this section shall file with each required report an affidavit or declaration of the person responsible for making the independent expenditure that the expenditure was not made in cooperation, consultation, or concert with, or at the request or suggestion of, the candidate, the candidate's authorized committee, or the candidate's agent, or with the encouragement or approval of the candidate, the candidate's authorized committee, or the candidate's agent.
- **Sec. 431.** RCW 42.17A.265 and 2020 c 152 s 7 are each amended to read as follows:
 - (1) Treasurers shall prepare and deliver to the commission a special report when a contribution or aggregate of contributions totals one thousand dollars or more, is from a single person or entity, and is received during a special reporting period.
 - (2) A political committee shall prepare and deliver to the commission a special report when it makes a contribution or an aggregate of contributions to a single entity that totals one thousand dollars or more during a special reporting period.
 - (3) An aggregate of contributions includes only those contributions made to or received from a single entity during any one special reporting period. Any subsequent contribution of any size made to or received from the same person or entity during the special reporting period must also be reported.
 - (4) Special reporting periods, for purposes of this section, include:
 - (a) The period beginning on the day after the last report required by RCW 42.17A.235 (as recodified by this act) and 42.17A.240 (as recodified by this act) to be filed before a primary and concluding on the end of the day before that primary;
- 37 (b) The period ((twenty-one)) 21 days preceding a general 38 election; and

p. 52 SSB 5857

(c) An aggregate of contributions includes only those contributions received from a single entity during any one special reporting period or made by the contributing political committee to a single entity during any one special reporting period.

- (5) If a campaign treasurer files a special report under this section for one or more contributions received from a single entity during a special reporting period, the treasurer shall also file a special report under this section for each subsequent contribution of any size which is received from that entity during the special reporting period. If a political committee files a special report under this section for a contribution or contributions made to a single entity during a special reporting period, the political committee shall also file a special report for each subsequent contribution of any size which is made to that entity during the special reporting period.
- (6) Special reports required by this section shall be delivered electronically, or in written form if an electronic alternative is not available.
- (a) The special report required of a contribution recipient under subsection (1) of this section shall be delivered to the commission within ((forty-eight)) 48 hours of the time, or on the first working day after: The contribution of one thousand dollars or more is received by the candidate or treasurer; the aggregate received by the candidate or treasurer first equals one thousand dollars or more; or any subsequent contribution from the same source is received by the candidate or treasurer.
- (b) The special report required of a contributor under subsection (2) of this section or RCW 42.17A.625 (as recodified by this act) shall be delivered to the commission, and the candidate or political committee to whom the contribution or contributions are made, within ((twenty-four)) 24 hours of the time, or on the first working day after: The contribution is made; the aggregate of contributions made first equals one thousand dollars or more; or any subsequent contribution to the same person or entity is made.
 - (7) The special report shall include:
- 36 (a) The amount of the contribution or contributions;
 - (b) The date or dates of receipt;
 - (c) The name and address of the donor;
 - (d) The name and address of the recipient;

p. 53 SSB 5857

(e) A statement that the candidate or political committee has received a certification from any partnership, association, corporation, organization, or other combination of persons making a contribution reportable under this section that:

- (i) The contribution is not financed in any part by a foreign national; and
- (ii) Foreign nationals are not involved in making decisions regarding the contribution in any way; and
 - (f) Any other information the commission may by rule require.
- 10 (8) Contributions reported under this section shall also be 11 reported as required by other provisions of this ((chapter)) title.
 - (9) The commission shall prepare daily a summary of the special reports made under this section and RCW 42.17A.625 (as recodified by this act).
 - (10) Contributions governed by this section include, but are not limited to, contributions made or received indirectly through a third party or entity whether the contributions are or are not reported to the commission as earmarked contributions under RCW 42.17A.270 (as recodified by this act).
- **Sec. 432.** RCW 42.17A.270 and 2010 c 204 s 416 are each amended to read as follows:
- A political committee receiving a contribution earmarked for the benefit of a candidate or another political committee shall:
 - (1) Report the contribution as required in RCW 42.17A.235 (as recodified by this act) and 42.17A.240 (as recodified by this act);
 - (2) Complete a report, entitled "Earmarked contributions," on a form prescribed by the commission that identifies the name and address of the person who made the contribution, the candidate or political committee for whose benefit the contribution is earmarked, the amount of the contribution, and the date that the contribution was received; and
 - (3) Mail or deliver to the commission and the candidate or political committee benefiting from the contribution a copy of the "Earmarked contributions" report within two working days of receipt of the contribution.
 - (4) A candidate or political committee receiving notification of an earmarked contribution under subsection (3) of this section shall report the contribution, once notification of the contribution is received by the candidate or committee, in the same manner as any

p. 54 SSB 5857

- other contribution, as required by RCW 42.17A.235 (as recodified by this act) and 42.17A.240 (as recodified by this act).
- **Sec. 433.** RCW 42.17A.300 and 2010 c 204 s 501 are each amended 4 to read as follows:
 - (1) The legislature finds that:

- (a) Timely disclosure to voters of the identity and sources of funding for electioneering communications is vitally important to the integrity of state, local, and judicial elections.
- (b) Electioneering communications that identify political candidates for state, local, or judicial office and that are distributed ((sixty)) <u>60</u> days before an election for those offices are intended to influence voters and the outcome of those elections.
- (c) The state has a compelling interest in providing voters information about electioneering communications in political campaigns concerning candidates for state, local, or judicial office so that voters can be fully informed as to the: (i) Source of support or opposition to those candidates; and (ii) identity of persons attempting to influence the outcome of state, local, and judicial candidate elections.
- (d) Nondisclosure of financial information about advertising that masquerades as relating only to issues and not to candidate campaigns fosters corruption or the appearance of corruption. These consequences can be substantially avoided by full disclosure of the identity and funding of those persons paying for such advertising.
- (e) The United States supreme court held in McConnell et al. v. Federal Elections Commission, 540 U.S. 93, 124 S.Ct. 619, 157 L.Ed.2d 491 (2003) that speakers seeking to influence elections do not possess an inviolable free speech right to engage in electioneering communications regarding elections, including when issue advocacy is the functional equivalent of express advocacy. Therefore, such election campaign communications can be regulated and the source of funding disclosed.
- (f) The state has a sufficiently compelling interest in preventing corruption in political campaigns to justify and restore contribution limits and restrictions on the use of soft money in RCW 42.17A.405 (as recodified by this act). Those interests include restoring restrictions on the use of such funds for electioneering communications, as well as the laws preventing circumvention of those limits and restrictions.

p. 55 SSB 5857

1 (2) Based upon the findings in this section, chapter 445, Laws of 2 2005 is narrowly tailored to accomplish the following and is intended 3 to:

4

5

7

8

35

36

3738

39

- (a) Improve the disclosure to voters of information concerning persons and entities seeking to influence state, local, and judicial campaigns through reasonable and effective mechanisms, including improving disclosure of the source, identity, and funding of electioneering communications concerning state, local, and judicial candidate campaigns;
- 10 (b) Regulate electioneering communications that mention state, 11 local, and judicial candidates and that are broadcast, mailed, 12 erected, distributed, or otherwise published right before the 13 election so that the public knows who is paying for such 14 communications;
- (c) Reenact and amend the contribution limits in RCW 42.17A.405 15 16 (7) and (15) (as recodified by this act) and the restrictions on the 17 use of soft money, including as applied to electioneering communications, as those limits and restrictions were in effect 18 following the passage of chapter 2, Laws of 1993 (Initiative Measure 19 No. 134) and before the state supreme court decision in Washington 20 21 State Republican Party v. Washington State Public Disclosure Commission, 141 Wn.2d 245, 4 P.3d 808 (2000). The commission is 22 23 authorized to fully restore the implementation of the limits and restrictions of RCW 42.17A.405 (7) and (15) (as recodified by this 24 25 act) in light of McConnell et al. v. Federal Elections Commission, 540 U.S. 93, 124 S.Ct. 619, 157 L.Ed.2d 491 (2003). The United States 26 supreme court upheld the disclosure and regulation of electioneering 27 communications in political campaigns, including but not limited to 28 issue advocacy that is the functional equivalent of express advocacy; 29 30
- 31 (d) Authorize the commission to adopt rules to implement chapter 32 445, Laws of 2005.
- 33 **Sec. 434.** RCW 42.17A.305 and 2020 c 152 s 8 are each amended to read as follows:
 - (1) A payment for or promise to pay for any electioneering communication shall be reported to the commission by the sponsor on forms the commission shall develop by rule to include, at a minimum, the following information:
 - (a) Name and address of the sponsor;

p. 56 SSB 5857

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

1

2

3

4

5

7

8

10

11

12

1314

1516

25

2627

2829

30

- (i) General treasury funds. The name and address of businesses, unions, groups, associations, or other organizations using general treasury funds for the communication, however, if a business, union, group, association, or other organization undertakes a special solicitation of its members or other persons for an electioneering communication, or it otherwise receives funds for an electioneering communication, that entity shall report pursuant to (b)(ii) of this 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;
 - (iii) A statement from the sponsor that:
- 17 (A) The electioneering communication is not financed in any part 18 by a foreign national; and
- 19 (B) Foreign nationals are not involved in making decisions 20 regarding the electioneering communication in any way; and
- 21 (iv) Any other source information required or exempted by the 22 commission by rule;
- 23 (c) Name and address of the person to whom an electioneering 24 communication related expenditure was made;
 - (d) A detailed description of each expenditure of more than one hundred dollars;
 - (e) The date the expenditure was made and the date the electioneering communication was first broadcast, transmitted, mailed, erected, distributed, or otherwise published;
 - (f) The amount of the expenditure;
- 31 (g) The name of each candidate clearly identified in the 32 electioneering communication, the office being sought by each 33 candidate, and the amount of the expenditure attributable to each 34 candidate; and
- 35 (h) Any other information the commission may require or exempt by 36 rule.
- 37 (2) Electioneering communications shall be reported as follows: 38 The sponsor of an electioneering communication shall report to the 39 commission within ((twenty-four)) 24 hours of, or on the first 40 working day after, the date the electioneering communication is

p. 57 SSB 5857

1 broadcast, transmitted, mailed, erected, distributed, digitally or 2 otherwise, or otherwise published.

3

4

5

7

8

23

24

25

2627

28

2930

- (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.
- (4) All persons required to report under RCW 42.17A.225 (as 9 recodified by this act), 42.17A.235 (as recodified by this act), 10 42.17A.240 (as recodified by this act), and 42.17A.255 (as recodified 11 12 by this act) are subject to the requirements of this section, although the commission may determine by rule that persons filing 13 according to those sections may be exempt from reporting some of the 14 15 information otherwise required by this section. The commission may 16 determine that reports filed pursuant to this section also satisfy 17 the requirements of RCW 42.17A.255 (as recodified by this act) and 42.17A.260 (as recodified by this act). 18
- 19 (5) Failure of any sponsor to report electronically under this 20 section shall be a violation of this ((chapter)) title.
- 21 **Sec. 435.** RCW 42.17A.310 and 2010 c 204 s 503 are each amended 22 to read as follows:
 - (1) An electioneering communication made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee, or their agents is a contribution to the candidate.
 - (2) An electioneering communication made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a political committee or its agents is a contribution to the political committee.
- 31 (3) If an electioneering communication is not a contribution 32 pursuant to subsection (1) or (2) of this section, the sponsor shall 33 file an affidavit or declaration so stating at the time the sponsor 34 is required to report the electioneering communication expense under 35 RCW 42.17A.305 (as recodified by this act).
- 36 **Sec. 436.** RCW 42.17A.315 and 2010 c 204 s 504 are each amended 37 to read as follows:

p. 58 SSB 5857

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

- (2) All reports filed under RCW 42.17A.305 (as recodified by this act) shall be certified as correct by the sponsor. If the sponsor is 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 a political committee, the certification shall be signed by the committee treasurer. If the sponsor is another entity, the certification shall be signed by the individual responsible for authorizing the expenditure on the entity's behalf.
- **Sec. 437.** RCW 42.17A.320 and 2019 c 261 s 3 are each amended to 16 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 sponsor's name. The use of an assumed name for the sponsor of electioneering communications, independent expenditures, or political advertising shall be unlawful. For partisan office, if a candidate has expressed a party or independent preference on the declaration of candidacy, that party or independent designation shall be clearly identified in electioneering communications, independent expenditures, or political advertising.
 - (2) In addition to the information required by subsection (1) of this section, except as specifically addressed in subsections (4) and (5) of this section, all political advertising undertaken as an independent expenditure or an electioneering communication by a person or entity other than a bona fide political party must include as part of the communication:
 - (a) The statement: "No candidate authorized this ad. It is paid for by (name, address, city, state)";
 - (b) If the sponsor is a political committee, the statement: "Top Five Contributors," followed by a listing of the names of the five persons making the largest contributions as determined by RCW 42.17A.350(1) (as recodified by this act); and if necessary, the

p. 59 SSB 5857

statement "Top Three Donors to PAC Contributors," followed by a listing of the names of the three individuals or entities, other than political committees, making the largest aggregated contributions as determined by RCW 42.17A.350(2) (as recodified by this act); and

1

2

3

4

5

7

8

9

12

1314

1516

17

18

19

2021

22

23

2425

26

27

2829

30 31

32

33

34

3536

3738

39

40

- (c) If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity.
- 10 (3) The information required by subsections (1) and (2) of this 11 section shall:
 - (a) Appear on the first page or fold of the written advertisement or communication in at least ((ten)) 10-point type, or in type at least ten percent of the largest size type used in a written advertisement or communication directed at more than one voter, such as a billboard or poster, whichever is larger;
 - (b) Not be subject to the half-tone or screening process; and
 - (c) Be set apart from any other printed matter. No text may be before, after, or immediately adjacent to the information required by subsections (1) and (2) of this section.
 - (4) In an independent expenditure or electioneering communication transmitted via television or other medium that includes a visual image, the following statement must either be clearly spoken, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height on a solid black background on the entire bottom one-third of the television or visual display screen, or bottom one-fourth of the screen if the sponsor does not have or is otherwise not required to list its top five contributors, and have a reasonable color contrast with the background: "No candidate authorized this ad. Paid for by (name, city, state)." If the advertisement or communication is undertaken by a nonindividual other than a party organization, then the following notation must also be included: "Top Five Contributors" followed by a listing of the names of the five persons making the largest aggregate contributions as determined by RCW 42.17A.350(1) (as recodified by this act); and if necessary, the statement "Top Three Donors to PAC Contributors," followed by a listing of the names of the three individuals or entities other than political committees making the largest aggregate contributions to political committees as determined by RCW 42.17A.350(2) (as recodified by this act).

p. 60 SSB 5857

Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.

1

2

4

5

7

8

9

10

1112

13

14

1516

17

1819

2021

22

23

2425

26

2728

29

30

- (5) The following statement shall be clearly spoken in an independent expenditure or electioneering communication transmitted by a method that does not include a visual image: "No candidate authorized this ad. Paid for by (name, city, state)." If the independent expenditure or electioneering communication is undertaken by a nonindividual other than a party organization, then the following statement must also be included: "Top Five Contributors" followed by a listing of the names of the five persons making the largest contributions as determined by RCW 42.17A.350(1) (as recodified by this act); and if necessary, the statement "Top Three Donors to PAC Contributors," followed by a listing of the names of the three individuals or entities, other than political committees, making the largest aggregate contributions to political committees as determined by RCW 42.17A.350(2) (as recodified by this act). Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement.
 - (6) Political advertising costing one thousand dollars or more supporting or opposing ballot measures sponsored by a political committee must include the information on the top five contributors and top three contributors, other than political committees, as required by RCW 42.17A.350 (as recodified by this act). A series of political advertising sponsored by the same political committee, each of which is under one thousand dollars, must include the top five contributors and top three contributors, other than political committees, as required by RCW 42.17A.350 (as recodified by this act) once their cumulative value reaches one thousand dollars or more.
- 31 (7) Political yard signs are exempt from the requirements of this 32 section that the sponsor's name and address, and the top five 33 contributors and top three PAC contributors as required by RCW 42.17A.350 (as recodified by this act), be listed on the advertising. 34 In addition, the public disclosure commission shall, by rule, exempt 35 36 from the identification requirements of this section forms of political advertising such as campaign buttons, balloons, pens, 37 pencils, sky-writing, inscriptions, and other forms of advertising 38 where identification is impractical. 39

p. 61 SSB 5857

- 1 (8) For the purposes of this section, "yard sign" means any outdoor sign with dimensions no greater than eight feet by four feet.
- **Sec. 438.** RCW 42.17A.330 and 2010 c 204 s 506 are each amended 4 to read as follows:

At least one picture of the candidate used in any political advertising shall have been taken within the last five years and shall be no smaller than any other picture of the same candidate used in the same advertisement.

- **Sec. 439.** RCW 42.17A.335 and 2009 c 222 s 2 are each amended to 10 read as follows:
 - (1) It is a violation of this ((chapter)) title for a person to sponsor with actual malice a statement constituting libel or defamation per se under the following circumstances:
 - (a) Political advertising or an electioneering communication that contains a false statement of material fact about a candidate for public office;
 - (b) Political advertising or an electioneering communication that falsely represents that a candidate is the incumbent for the office sought when in fact the candidate is not the incumbent;
 - (c) Political advertising or an electioneering communication that makes either directly or indirectly, a false claim stating or implying the support or endorsement of any person or organization when in fact the candidate does not have such support or endorsement.
 - (2) For the purposes of this section, "libel or defamation per se" means statements that tend (a) to expose a living person to hatred, contempt, ridicule, or obloquy, or to deprive him or her of the benefit of public confidence or social intercourse, or to injure him or her in his or her business or occupation, or (b) to injure any person, corporation, or association in his, her, or its business or occupation.
 - (3) It is not a violation of this section for a candidate or his or her agent to make statements described in subsection (1)(a) or (b) of this section about the candidate himself or herself because a person cannot defame himself or herself. It is not a violation of this section for a person or organization referenced in subsection (1)(c) of this section to make a statement about that person or organization because such persons and organizations cannot defame themselves.

p. 62 SSB 5857

- 1 (4) Any violation of this section shall be proven by clear and 2 convincing evidence. If a violation is proven, damages are presumed 3 and do not need to be proven.
- 4 **Sec. 440.** RCW 42.17A.340 and 2010 c 204 s 507 are each amended 5 to read as follows:

7

8

9

18

1920

21

22

24

2526

27

28

- (1) Except as provided in subsection (2) of this section, the responsibility for compliance with RCW 42.17A.320 (as recodified by this act) through 42.17A.335 (as recodified by this act) shall be with the sponsor of the political advertising and not with the broadcasting station or other medium.
- 11 (2) If a broadcasting station or other medium changes the content 12 of a political advertisement, the station or medium shall be 13 responsible for any failure of the advertisement to comply with RCW 14 42.17A.320 (as recodified by this act) through 42.17A.335 (as 15 recodified by this act) that results from that change.
- 16 **Sec. 441.** RCW 42.17A.345 and 2019 c 428 s 26 are each amended to read as follows:
 - (1) Each commercial advertiser who has accepted or provided political advertising or electioneering communications during the election campaign shall maintain current books of account and related materials as provided by rule that shall be open for public inspection during normal business hours during the campaign and for a period of no less than five years after the date of the applicable election. The documents and books of account shall specify:
 - (a) The names and addresses of persons from whom it accepted political advertising or electioneering communications;
 - (b) The exact nature and extent of the services rendered; and
 - (c) The total cost and the manner of payment for the services.
- 29 (2) At the request of the commission, each commercial advertiser 30 required to comply with subsection (1) of this section shall provide 31 to the commission copies of the information that must be maintained 32 and be open for public inspection pursuant to subsection (1) of this 33 section.
- 34 **Sec. 442.** RCW 42.17A.350 and 2019 c 261 s 2 are each amended to read as follows:
- 36 (1) For any requirement to include the top five contributors 37 under RCW 42.17A.320 (as recodified by this act) or any other

p. 63 SSB 5857

provision of this ((chapter)) title, the sponsor must identify the five persons or entities making the largest contributions to the sponsor in excess of the threshold aggregate value to be considered an independent expenditure in an election for public office under ((RCW-42.17A.005(29)(a)(iv))) section 231(1)(d) of this act reportable under this ((chapter)) title during the ((twelve)) 12-month period preceding the date on which the advertisement is initially to be published or otherwise presented to the public.

1

2

4

5

7

8

9

10 11

12

13

14

1516

17

18

19

2021

22

23

2425

26

27

28

29

30 31

32

33

34

35

36 37

38

- (2) If one or more of the top five contributors identified under subsection (1) of this section is a political committee, the top three contributors to each of those political committees during the same period must then be identified, and so on, until the individuals or entities other than political committees with the largest aggregate contributions to each political committee identified under subsection (1) of this section have also been identified. The sponsor must identify the three individuals or entities, not including political committees, who made the largest aggregate contributions to any political committee identified under subsection (1) of this section in excess of the threshold aggregate value to be considered an independent expenditure in an election for public office under ((RCW 42.17A.005(29)(a)(iv))) section 231(1)(d) of this act reportable under this ((chapter)) title during the same period, and the names of those individuals or entities must be displayed in the advertisement alongside the statement "Top Three Donors to PAC Contributors."
 - (3) Contributions to the sponsor or a political committee that are earmarked, tracked, and used for purposes other than the advertisement in question should not be counted in identifying the top five contributors under subsection (1) of this section or the top three contributors under subsection (2) of this section.
- (4) The sponsor shall not be liable for a violation of this section that occurs because a contribution to any political committee identified under subsection (1) of this section has not been reported to the commission.
- (5) The commission is authorized to adopt rules, as needed, to prevent ways to circumvent the purposes of the required disclosures in this section to inform voters about the individuals and entities sponsoring political advertisements.

p. 64 SSB 5857

- Sec. 443. RCW 42.17A.400 and 2010 c 204 s 601 are each amended to read as follows:
 - (1) The people of the state of Washington find and declare that:
 - (a) The financial strength of certain individuals or organizations should not permit them to exercise a disproportionate or controlling influence on the election of candidates.
 - (b) Rapidly increasing political campaign costs have led many candidates to raise larger percentages of money from special interests with a specific financial stake in matters before state government. This has caused the public perception that decisions of elected officials are being improperly influenced by monetary contributions.
 - (c) Candidates are raising less money in small contributions from individuals and more money from special interests. This has created the public perception that individuals have an insignificant role to play in the political process.
 - (2) By limiting campaign contributions, the people intend to:
 - (a) Ensure that individuals and interest groups have fair and equal opportunity to influence elective and governmental processes;
- 20 (b) Reduce the influence of large organizational contributors; 21 and
- 22 (c) Restore public trust in governmental institutions and the 23 electoral process.
- 24 **Sec. 444.** RCW 42.17A.405 and 2019 c 100 s 1 are each amended to 25 read as follows:
 - (1) The contribution limits in this section apply to:
 - (a) Candidates for legislative office;
- 28 (b) Candidates for state office other than legislative office;
 - (c) Candidates for county office;

4

5

7

8

9

10 11

12

1314

15

1617

18

19

2627

29

31

- 30 (d) Candidates for port district office;
 - (e) Candidates for city council office;
- 32 (f) Candidates for mayoral office;
- 33 (q) Candidates for school board office;
- (h) Candidates for public hospital district board of commissioners in districts with a population over ((one hundred fifty thousand)) 150,000;
- 37 (i) Persons holding an office in (a) through (h) of this 38 subsection against whom recall charges have been filed or to a

p. 65 SSB 5857

political committee having the expectation of making expenditures in support of the recall of a person holding the office;

(j) Caucus political committees;

1

2

4

5

6

7

8

9

10

11

12

13

14

1516

17

18

19

20

21

2223

2425

26

27

28

29

30 31

32

33

34

35

3637

3839

- (k) Bona fide political parties.
- (2) No person, other than a bona fide political party or a caucus political committee, may make contributions to a candidate for a legislative office, county office, city council office, mayoral office, school board office, or public hospital district board of commissioners that in the aggregate exceed eight hundred dollars or to a candidate for a public office in a port district or a state office other than a legislative office that in the aggregate exceed one thousand six hundred dollars for each election in which the candidate is on the ballot or appears as a write-in candidate. Contributions to candidates subject to the limits in this section made with respect to a primary may not be made after the date of the primary. However, contributions to a candidate or a candidate's authorized committee may be made with respect to a primary until ((thirty)) 30 days after the primary, subject to the following limitations: (a) The candidate lost the primary; (b) the candidate's authorized committee has insufficient funds to pay debts outstanding as of the date of the primary; and (c) the contributions may only be raised and spent to satisfy the outstanding debt. Contributions to candidates subject to the limits in this section made with respect to a general election may not be made after the final day of the applicable election cycle.
 - (3) No person, other than a bona fide political party or a caucus political committee, may make contributions to a state official, a county official, a city official, a school board member, a public hospital district commissioner, or a public official in a port district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the state official, county official, city official, school board member, public hospital district commissioner, or public official in a port district during a recall campaign that in the aggregate exceed eight hundred dollars if for a legislative office, county office, school board office, public hospital district office, or city office, or one thousand six hundred dollars if for a port district office or a state office other than a legislative office.

p. 66 SSB 5857

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

- (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 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 political party or caucus political committee may contributions to a state official, county official, city official, school board member, public hospital district commissioner, or a public official in a port district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the state official, county official, city official, school board member, public hospital district commissioner, or a public official in a port district during a recall campaign that in the aggregate exceed (i) eighty cents multiplied by the number of eligible registered voters in the jurisdiction entitled to recall the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No official holding an office specified in subsection (1) of this section against whom recall charges have been filed, no authorized committee of the official, and no political committee having the expectation of making expenditures in support of the recall of the official 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

p. 67 SSB 5857

committees or legislative district committees would in the aggregate exceed forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected.

- (6) For purposes of determining contribution limits under subsections (4) and (5) of this section, the number of eligible registered voters in a jurisdiction is the number at the time of the most recent general election in the jurisdiction.
- (7) Notwithstanding subsections (2) through (5) of this section, no person other than an individual, bona fide political party, or caucus political committee may make contributions reportable under this ((chapter)) title to a caucus political committee that in the aggregate exceed eight hundred dollars in a calendar year or to a bona fide political party that in the aggregate exceed four thousand dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business.
- (8) For the purposes of RCW 42.17A.125 (as recodified by this act), 42.17A.405 (as recodified by this act) through 42.17A.415 (as recodified by this act), 42.17A.450 (as recodified by this act) through 42.17A.495 (as recodified by this act), 42.17A.500 (as recodified by this act), 42.17A.560 (as recodified by this act), and 42.17A.565 (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)) <u>12</u>-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.
- (11) RCW 42.17A.125 (as recodified by this act), 42.17A.405 (as recodified by this act) through 42.17A.415 (as recodified by this act), 42.17A.450 (as recodified by this act) through 42.17A.495 (as recodified by this act), 42.17A.500 (as recodified by this act), 42.17A.560 (as recodified by this act), and 42.17A.565 (as recodified by this act) apply to a special election conducted to fill a vacancy

p. 68 SSB 5857

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

- (12) Notwithstanding the other subsections of this section, no corporation or business entity not doing business in Washington state, no labor union with fewer than ((ten)) 10 members who reside in Washington state, and no political committee that has not received contributions of ten dollars or more from at least ((ten)) 10 persons registered to vote in Washington state during the preceding ((ten)) 180 days may make contributions reportable under this ((ten)) title to a state office candidate, to a state official against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the official. This subsection does not apply to loans made in the ordinary course of business.
- (13) Notwithstanding the other subsections of this section, no county central committee or legislative district committee may make contributions reportable under this ((chapter)) title to a candidate specified in subsection (1) of this section, or an official specified in subsection (1) of this section against whom recall charges have been filed, or political committee having the expectation of making expenditures in support of the recall of an official specified in subsection (1) of this section if the county central committee or legislative district committee is outside of the jurisdiction entitled to elect the candidate or recall the official.
- 29 (14) No person may accept contributions that exceed the 30 contribution limitations provided in this section.
- 31 (15) The following contributions are exempt from the contribution 32 limits of this section:
 - (a) An expenditure or contribution earmarked for voter registration, for absentee ballot information, for precinct caucuses, for get-out-the-vote campaigns, for precinct judges or inspectors, for sample ballots, or for ballot counting, all without promotion of or political advertising for individual candidates;
- 38 (b) An expenditure by a political committee for its own internal organization or fund-raising without direct association with individual candidates; or

p. 69 SSB 5857

- 1 (c) An expenditure or contribution for independent expenditures 2 as defined in ((RCW 42.17A.005)) section 231 of this act or 23 electioneering communications as defined in ((RCW 42.17A.005)) section 222 of this act.
- 5 **Sec. 445.** RCW 42.17A.410 and 2010 c 204 s 603 are each amended to read as follows:
- 7 (1) No person may make contributions to a candidate for judicial office that in the aggregate exceed one thousand six hundred dollars 8 for each election in which the candidate is on the ballot or appears 9 10 as a write-in candidate. Contributions made with respect to a primary may not be made after the date of the primary. However, contributions 11 to a candidate or a candidate's authorized committee may be made with 12 respect to a primary until ((thirty)) 30 days after the primary, 13 subject to the following limitations: (a) The candidate lost the 14 15 primary; (b) the candidate's authorized committee has insufficient 16 funds to pay debts outstanding as of the date of the primary; and (c) 17 the contributions may only be raised and spent to satisfy the 18 outstanding debt. Contributions made with respect to a general election may not be made after the final day of the applicable 19 20 election cycle.
 - (2) This section through RCW 42.17A.490 (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.

22

2324

25

2627

- 28 (3) No person may accept contributions that exceed the contribution limitations provided in this section.
- 30 (4) The dollar limits in this section must be adjusted according 31 to RCW 42.17A.125 (as recodified by this act).
- 32 **Sec. 446.** RCW 42.17A.415 and 2011 c 60 s 25 are each amended to 33 read as follows:
- (1) Contributions to candidates for state office made and received before December 3, 1992, are considered to be contributions under ((RCW 42.17.640 through 42.17.790)) RCW 42.17A.125 (as recodified by this act), 42.17A.405 (as recodified by this act) through 42.17A.415 (as recodified by this act), 42.17A.450 (as

p. 70 SSB 5857

- 1 recodified by this act) through 42.17A.495 (as recodified by this
- 2 <u>act</u>), 42.17A.500 (as recodified by this act), 42.17A.560 (as
- 3 recodified by this act), and 42.17A.565 (as recodified by this act).
- 4 Monetary contributions that exceed the contribution limitations and
- 5 that have not been spent by the recipient of the contribution by
- 6 December 3, 1992, must be disposed of in accordance with RCW
- 7 42.17A.430 (as recodified by this act).
- 8 (2) Contributions to other candidates subject to the contribution
- 9 limits of this $((\frac{\text{chapter}}{}))$ <u>title</u> made and received before June 7,
- 10 2006, are considered to be contributions under (($\frac{RCW}{42.17.640}$
- 11 through 42.17.790)) RCW 42.17A.125 (as recodified by this act),
- 12 <u>42.17A.405</u> (as recodified by this act) through 42.17A.415 (as
- 13 recodified by this act), 42.17A.450 (as recodified by this act)
- 14 through 42.17A.495 (as recodified by this act), 42.17A.500 (as
- 15 recodified by this act), 42.17A.560 (as recodified by this act), and
- 16 <u>42.17A.565</u> (as recodified by this act). Contributions that exceed the
- 17 contribution limitations and that have not been spent by the
- 18 recipient of the contribution by June 7, 2006, must be disposed of in
- 19 accordance with RCW 42.17A.430 (as recodified by this act) except for
- 20 subsections (6) and (7) of that section.
- 21 **Sec. 447.** RCW 42.17A.417 and 2020 c 152 s 9 are each amended to 22 read as follows:
- 23 (1) A foreign national may not make a contribution to any 24 candidate or political committee, make an expenditure in support of
- 25 or in opposition to any candidate or ballot measure, or sponsor
- 26 political advertising or an electioneering communication.
- 27 (2) A person may not make a contribution to any candidate or
- 28 political committee, make an expenditure in support of or ir
- 29 opposition to any candidate or ballot measure, or sponsor political
- 30 advertising or an electioneering communication, if:
- 31 (a) The contribution, expenditure, political advertising, or
- 32 electioneering communication is financed in any part by a foreign
- 33 national; or
- 34 (b) Foreign nationals are involved in making decisions regarding
- 35 the contribution, expenditure, political advertising, or
- 36 electioneering communication in any way.
- 37 **Sec. 448.** RCW 42.17A.418 and 2020 c 152 s 10 are each amended to
- 38 read as follows:

p. 71 SSB 5857

(1) Each candidate or political committee that has accepted a contribution, and each out-of-state committee that has accepted a contribution reportable under RCW 42.17A.250 (as recodified by this act), from a partnership, association, corporation, organization, or other combination of persons must receive a certification from each contributor that:

- (a) The contribution is not financed in any part by a foreign national; and
- 9 (b) Foreign nationals are not involved in making decisions 10 regarding the contribution in any way.
 - (2) The certifications must be maintained for a period of no less than three years after the date of the applicable election.
- 13 (3) At the request of the commission, each candidate or committee 14 required to comply with subsection (1) of this section must provide 15 to the commission copies of the certifications maintained under this 16 section.
 - **Sec. 449.** RCW 42.17A.420 and 2019 c 428 s 27 are each amended to read as follows:
 - (1) It is a violation of this ((chapter)) title for any person to make, or for any candidate or political committee to accept from any one person, contributions reportable under RCW 42.17A.240 (as recodified by this act) in the aggregate exceeding fifty thousand dollars for any campaign for statewide office or exceeding five thousand dollars for any other campaign subject to the provisions of this ((chapter)) title within ((twenty-one)) 21 days of a general election. This subsection does not apply to:
 - (a) Contributions made by, or accepted from, a bona fide political party as defined in this ((chapter)) title, excluding the county central committee or legislative district committee;
 - (b) Contributions made to, or received by, a ballot proposition committee; or
 - (c) Payments received by an incidental committee.
 - (2) Contributions governed by this section include, but are not limited to, contributions made or received indirectly through a third party or entity whether the contributions are or are not reported to the commission as earmarked contributions under RCW 42.17A.270 (as recodified by this act).

p. 72 SSB 5857

1 **Sec. 450.** RCW 42.17A.425 and 2010 c 204 s 605 are each amended 2 to read as follows:

3

4

5

6 7

8

9

10 11

17

18

1920

21

22

2324

25

2627

28

No expenditures may be made or incurred by any candidate or political committee unless authorized by the candidate or the person or persons named on the candidate's or committee's registration form. 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.

12 **Sec. 451.** RCW 42.17A.430 and 2010 c 204 s 606 are each amended 13 to read as follows:

The surplus funds of a candidate or a 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 exceed that contributor's original contribution;
- (2) Using surplus, reimburse the candidate for lost earnings incurred as a result of that candidate's election campaign. Lost earnings shall be verifiable as unpaid salary or, when the candidate is not salaried, as an amount not to exceed income received by the candidate for services rendered during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record thereof shall be maintained by the candidate or the candidate's authorized committee. The committee shall maintain a copy of this record in accordance with RCW 42.17A.235(((6))) (7) (as recodified by this act);
- 29 (3) Transfer the surplus without limit to a political party or to a caucus political committee;
- 31 (4) Donate the surplus to a charitable organization registered in accordance with chapter 19.09 RCW;
- 33 (5) Transmit the surplus to the state treasurer for deposit in 34 the general fund, the Washington state legacy project, state library, 35 and archives account under RCW 43.07.380, or the legislative 36 international trade account under RCW 43.15.050, as specified by the 37 candidate or political committee; or
- 38 (6) Hold the surplus in the depository or depositories designated 39 in accordance with RCW 42.17A.215 (as recodified by this act) for

p. 73 SSB 5857

possible use in a future election campaign for the same office last 1 sought by the candidate and report any such disposition in accordance 2 with RCW 42.17A.240 (as recodified by this act). If the candidate 3 subsequently announces or publicly files for office, the appropriate 4 information must be reported to the commission in accordance with RCW 5 6 42.17A.205 (as recodified by this act) through 42.17A.240 (as recodified by this act). If a subsequent office is not sought the 7 surplus held shall be disposed of in accordance with the requirements 8 of this section. 9

10 11

12

1314

15

29

30

31

32

3334

35

3637

38

- (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 42.17A.240 (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.
- 16 (8) No candidate or authorized committee may transfer funds to 17 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)) title.
- 20 **Sec. 452.** RCW 42.17A.435 and 1975 1st ex.s. c 294 s 8 are each 21 amended to read as follows:
- No contribution shall be made and no expenditure shall be incurred, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or other person in such a manner as to conceal the identity of the source of the contribution or in any other manner so as to effect concealment.
- 27 **Sec. 453.** RCW 42.17A.440 and 2010 c 204 s 607 are each amended 28 to read as follows:

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

p. 74 SSB 5857

Sec. 454. RCW 42.17A.442 and 2011 c 145 s 5 are each amended to read as follows:

A political committee may make a contribution to another political committee only when the contributing political committee has received contributions of ten dollars or more each from at least ((ten)) 10 persons registered to vote in Washington state.

Sec. 455. RCW 42.17A.445 and 2022 c 174 s 1 are each amended to 8 read as follows:

Contributions received and reported in accordance with RCW 42.17A.220 (as recodified by this act) through 42.17A.240 (as recodified by this act) and 42.17A.425 (as recodified by this act) may only be paid to a candidate, or a treasurer or other individual or expended for such individual's personal use under the following circumstances:

- (1) Reimbursement for or payments to cover lost earnings incurred as a result of campaigning or services performed for the political committee. Lost earnings shall be verifiable as unpaid salary, or when the individual is not salaried, as an amount not to exceed income received by the individual for services rendered during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record shall be maintained by the candidate or the candidate's authorized committee in accordance with RCW 42.17A.235 (as recodified by this act).
- (2) Reimbursement for direct out-of-pocket election campaign and postelection campaign related expenses made by the individual. For example, expenses for child care or other direct caregiving responsibilities may be reimbursed if they are incurred directly as a result of the candidate's campaign activities. 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 42.17A.240 (as recodified by this act).
- (3) Repayment of loans made by the individual to political committees shall be reported pursuant to RCW 42.17A.240 (as recodified by this act). However, contributions may not be used to reimburse a candidate for loans totaling more than four thousand

p. 75 SSB 5857

- seven hundred dollars made by the candidate to the candidate's own authorized committee.
- **Sec. 456.** RCW 42.17A.450 and 2018 c 304 s 11 are each amended to 4 read as follows:
- 5 (1) Contributions by spouses are considered separate 6 contributions.
 - (2) Contributions by unemancipated children under ((eighteen)) 18 years of age are considered contributions by their parents and are attributed proportionately to each parent. Fifty percent of the contributions are attributed to each parent or, in the case of a single custodial parent, the total amount is attributed to the parent.
- **Sec. 457.** RCW 42.17A.455 and 2010 c 204 s 609 are each amended to read as follows:
 - For purposes of this ((chapter)) title:

- (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.
 - (2) Two or more entities are treated as a single entity if one of the two or more entities is a subsidiary, branch, or department of a corporation that is participating in an election campaign or making contributions, or a local unit or branch of a trade association, labor union, or collective bargaining association that is participating in an election campaign or making contributions. All contributions made by a person or political committee whose contribution or expenditure activity is financed, maintained, or controlled by a trade association, labor union, collective bargaining organization, or the local unit of a trade association, labor union, or collective bargaining organization are considered made by the trade association, labor union, collective bargaining organization, or local unit of a trade association, labor union, or collective bargaining organization.
- 34 (3) The commission shall adopt rules to carry out this section and is not subject to the time restrictions of RCW 42.17A.110(1) (as recodified by this act).

p. 76 SSB 5857

1 **Sec. 458.** RCW 42.17A.460 and 1993 c 2 s 7 are each amended to read as follows:

3 All contributions made by a person or entity, either directly or indirectly, to a candidate, to a state official against whom recall 4 charges have been filed, or to a political committee, are considered 5 6 to be contributions from that person or entity to the candidate, 7 state official, or political committee, as are contributions that are in any way earmarked or otherwise directed through an intermediary or 8 conduit to the candidate, state official, or political committee. For 9 the purposes of this section, "earmarked" means a designation, 10 11 instruction, or encumbrance, whether direct or indirect, expressed or 12 implied, or oral or written, that is intended to result in or does result in all or any part of a contribution being made to a certain 13 candidate or state official. If a conduit or intermediary exercises 14 any direction or control over the choice of the recipient candidate 15 16 or state official, the contribution is considered to be by both the 17 original contributor and the conduit or intermediary.

- 18 **Sec. 459.** RCW 42.17A.465 and 2010 c 204 s 610 are each amended 19 to read as follows:
 - (1) A loan is considered to be a contribution from the lender and any guarantor of the loan and is subject to the contribution limitations of this ((chapter)) title. The full amount of the loan shall be attributed to the lender and to each guarantor.
 - (2) A loan to a candidate for public office or the candidate's authorized committee must be by written agreement.
 - (3) The proceeds of a loan made to a candidate for public office:
 - (a) By a commercial lending institution;

20

21

22

2324

25

26

27

- 28 (b) Made in the regular course of business; and
- (c) On the same terms ordinarily available to members of the public, are not subject to the contribution limits of this ((chapter)) title.
- 32 **Sec. 460.** RCW 42.17A.470 and 1993 c 2 s 13 are each amended to 33 read as follows:
- 34 (1) A person, other than an individual, may not be an 35 intermediary or an agent for a contribution.
- 36 (2) An individual may not make a contribution on behalf of 37 another person or entity, or while acting as the intermediary or 38 agent of another person or entity, without disclosing to the

p. 77 SSB 5857

- 1 recipient of the contribution both his or her full name, street
- 2 address, occupation, name of employer, if any, or place of business
- 3 if self-employed, and the same information for each contributor for
- 4 whom the individual serves as intermediary or agent.
- 5 **Sec. 461.** RCW 42.17A.475 and 2019 c 428 s 28 are each amended to read as follows:
- 7 (1) A person may not make a contribution of more than one hundred
- 8 dollars, other than an in-kind contribution, except by a written
- 9 instrument containing the name of the donor and the name of the
- 10 payee.
- 11 (2) A political committee may not make a contribution, other than
- 12 in-kind, except by a written instrument containing the name of the
- donor and the name of the payee.
- 14 **Sec. 462.** RCW 42.17A.480 and 1995 c 397 s 25 are each amended to 15 read as follows:
- 16 A person may not solicit from a candidate for public office,
- 17 political committee, political party, or other person money or other
- 18 property as a condition or consideration for an endorsement, article,
- 19 or other communication in the news media promoting or opposing a
- 20 candidate for public office, political committee, or political party.
- 21 **Sec. 463.** RCW 42.17A.485 and 1995 c 397 s 26 are each amended to
- 22 read as follows:
- 23 A person may not, directly or indirectly, reimburse another
- 24 person for a contribution to a candidate for public office, political
- 25 committee, or political party.
- 26 **Sec. 464.** RCW 42.17A.490 and 2010 c 204 s 612 are each amended 27 to read as follows:
- 28 (1) Except as provided in subsection (2) of this section, a
- 29 candidate for public office or the candidate's authorized committee
- 30 may not use or permit the use of contributions, whether or not
- 31 surplus, solicited for or received by the candidate or the
- 32 candidate's authorized committee to further the candidacy of the
- 33 individual for an office other than the office designated on the
- 34 statement of organization. A contribution solicited for or received
- 35 on behalf of the candidate is considered solicited or received for
- 36 the candidacy for which the individual is then a candidate if the

p. 78 SSB 5857

contribution is solicited or received before the general election for which the candidate is a nominee or is unopposed.

- (2) With the written approval of the contributor, a candidate or the candidate's authorized committee may use or permit the use of contributions, whether or not surplus, solicited for or received by the candidate or the candidate's authorized committee from that contributor to further the candidacy of the individual for an office other than the office designated on the statement of organization. If the contributor does not approve the use of his or her contribution to further the candidacy of the individual for an office other than the office designated on the statement of organization at the time of the contribution, the contribution must be considered surplus funds and disposed of in accordance with RCW 42.17A.430 (as recodified by this act).
- **Sec. 465.** RCW 42.17A.495 and 2010 c 204 s 613 are each amended to read as follows:
 - (1) No employer or labor organization may increase the salary of an officer or employee, or compensate an officer, employee, or other person or entity, with the intention that the increase in salary, or the 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 officer or employee in the terms or conditions of employment for (a) the failure to contribute to, (b) the failure in any way to support or oppose, or (c) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee. At least annually, an employee from whom wages or salary are withheld under subsection (3) of this section shall be notified of the provisions of this subsection.
 - (3) No employer or other person or entity responsible for the disbursement of funds in payment of wages or salaries may withhold or divert a portion of an employee's wages or salaries for contributions to political committees or for use as political contributions except upon the written request of the employee. The request must be made on a form prescribed by the commission informing the employee of the prohibition against employer and labor organization discrimination described in subsection (2) of this section. The employee may revoke

p. 79 SSB 5857

- the request at any time. At least annually, the employee shall be notified about the right to revoke the request.
- (4) Each person or entity who withholds contributions under 3 subsection (3) of this section shall maintain open for public 4 inspection for a period of no less than three years, during normal 5 6 business hours, documents and books of accounts that shall include a 7 copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred 8 to a political committee. Copies of such information shall be 9 delivered to the commission upon request. 10
- 11 **Sec. 466.** RCW 42.17A.500 and 2007 c 438 s 1 are each amended to 12 read as follows:
- (1) A labor organization may not use agency shop fees paid by an individual who is not a member of the organization to make contributions or expenditures to influence an election or to operate a political committee, unless affirmatively authorized by the individual.
- 18 (2) A labor organization does not use agency shop fees when it 19 uses its general treasury funds to make such contributions or 20 expenditures if it has sufficient revenues from sources other than 21 agency shop fees in its general treasury to fund such contributions 22 or expenditures.
- 23 **Sec. 467.** RCW 42.17A.550 and 2008 c 29 s 1 are each amended to 24 read as follows:
- 25 Public funds, whether derived through taxes, fees, penalties, or any other sources, shall not be used to finance political campaigns 26 27 for state or school district office. A county, city, town, or district that establishes a program to publicly finance local 28 29 political campaigns may only use funds derived from local sources to fund the program. A local government must submit any proposal for 30 public financing of local political campaigns to voters for their 31 adoption and approval or rejection. 32
- 33 **Sec. 468.** RCW 42.17A.555 and 2010 c 204 s 701 are each amended 34 to read as follows:
- No elective official nor any employee of his or her office nor 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

p. 80 SSB 5857

- office or agency, directly or indirectly, for the purpose of 1 assisting a campaign for election of any person to any office or for 2 the promotion of or opposition to any ballot proposition. Facilities 3 of a public office or agency include, but are not limited to, use of 4 stationery, postage, machines, and equipment, use of employees of the 5 6 office or agency during working hours, vehicles, office space, 7 publications of the office or agency, and clientele lists of persons served by the office or agency. However, this does not apply to the 8 9 following activities:
- (1) Action taken at an open public meeting by members of an 10 11 elected legislative body or by an elected board, council, 12 commission of a special purpose district including, but not limited to, fire districts, public hospital districts, library districts, 13 park districts, port districts, public utility districts, school 14 districts, sewer districts, and water districts, to express a 15 16 collective decision, or to actually vote upon a motion, proposal, 17 resolution, order, or ordinance, or to support or oppose a ballot 18 proposition so long as (a) any required notice of the meeting 19 includes the title and number of the ballot proposition, and (b) members of the legislative body, members of the board, council, or 20 21 commission of the special purpose district, or members of the public 22 are afforded an approximately equal opportunity for the expression of 23 an opposing view;
- 24 (2) A statement by an elected official in support of or in 25 opposition to any ballot proposition at an open press conference or 26 in response to a specific inquiry;
 - (3) Activities which are part of the normal and regular conduct of the office or agency.
- 29 (4) This section does not apply to any person who is a state 30 officer or state employee as defined in RCW 42.52.010.

28

33

34

35

36

3738

39

- 31 **Sec. 469.** RCW 42.17A.560 and 2006 c 348 s 5 and 2006 c 344 s 31 32 are each reenacted and amended to read as follows:
 - (1) During the period beginning on the thirtieth day before the date a regular legislative session convenes and continuing through the date of final adjournment, and during the period beginning on the date a special legislative session convenes and continuing through the date that session adjourns, no state official or a person employed by or acting on behalf of a state official or state legislator may solicit or accept contributions to a public office

p. 81 SSB 5857

- 1 fund, to a candidate or authorized committee, or to retire a campaign
- 2 debt. Contributions received through the mail after the thirtieth day
- 3 before a regular legislative session may be accepted if the
- 4 contribution is postmarked prior to the thirtieth day before the
- 5 session.
- 6 (2) This section does not apply to activities authorized in RCW 43.07.370.
- 8 **Sec. 470.** RCW 42.17A.565 and 1995 c 397 s 24 are each amended to 9 read as follows:
- 10 (1) No state or local official or state or local official's agent 11 may knowingly solicit, directly or indirectly, a contribution to a 12 candidate for public office, political party, or political committee 13 from an employee in the state or local official's agency.
- (2) No state or local official or public employee may provide an advantage or disadvantage to an employee or applicant for employment in the classified civil service concerning the applicant's or employee's:
- 18 (a) Employment;
- 19 (b) Conditions of employment; or
- 20 (c) Application for employment,
- 21 based on the employee's or applicant's contribution or promise to
- 22 contribute or failure to make a contribution or contribute to a
- 23 political party or political committee.
- 24 **Sec. 471.** RCW 42.17A.570 and 2010 c 204 s 702 are each amended 25 to read as follows:
- After January 1st and before April 15th of each calendar year, the state treasurer, each county, public utility district, and port district treasurer, and each treasurer of an incorporated city or town whose population exceeds ((one thousand)) 1,000 shall file with the commission:
- 31 (1) A statement under oath that no public funds under that 32 treasurer's control were invested in any institution where the 33 treasurer or, in the case of a county, a member of the county finance 34 committee, held during the reporting period an office, directorship, 35 partnership interest, or ownership interest; or
- 36 (2) A report disclosing for the previous calendar year: (a) The 37 name and address of each financial institution in which the treasurer 38 or, in the case of a county, a member of the county finance

p. 82 SSB 5857

1 committee, held during the reporting period an office, directorship, partnership interest, or ownership interest which holds or has held 2 3 during the reporting period public accounts of the governmental entity for which the treasurer is responsible; (b) the aggregate sum 4 of time and demand deposits held in each such financial institution 5 6 on December 31; and (c) the highest balance held at any time during such reporting period. The state treasurer shall disclose the highest 7 balance information only upon a public records request under chapter 8 42.56 RCW. The statement or report required by this section shall be 9 filed either with the statement required under RCW 42.17A.700 (as 10 11 recodified by this act) or separately.

12 **Sec. 472.** RCW 42.17A.575 and 2010 c 204 s 703 are each amended 13 to read as follows:

1415

16

17

18

1920

21

22

2324

25

2627

No state-elected official or municipal officer may speak or appear in a public service announcement that is broadcast, shown, or distributed in any form whatsoever during the period beginning January 1st and continuing through the general election if that official or officer is a candidate. If the official or officer does not control the broadcast, showing, or distribution of a public service announcement in which he or she speaks or appears, then the official or officer shall contractually limit the use of the public service announcement to be consistent with this section prior to participating in the public service announcement. This section does not apply to public service announcements that are part of the regular duties of the office that only mention or visually display the office or office seal or logo and do not mention or visually display the name of the official or officer in the announcement.

- 28 **Sec. 473.** RCW 42.17A.600 and 2019 c 469 s 2 and 2019 c 428 s 29 are each reenacted and amended to read as follows:
- 30 (1) Before lobbying, or within ((thirty)) 30 days after being some semployed as a lobbyist, whichever occurs first, unless exempt under RCW 42.17A.610 (as recodified by this act), a lobbyist shall register by filing with the commission a lobbyist registration statement, in such detail as the commission shall prescribe, that includes the following information:
- 36 (a) The lobbyist's name, permanent business address, electronic 37 contact information, and any temporary residential and business 38 addresses in Thurston county during the legislative session;

p. 83 SSB 5857

- 1 (b) The name, address and occupation or business of the lobbyist's employer;
 - (c) The duration of the lobbyist's employment;

- (d) The compensation to be received for lobbying, the amount to be paid for expenses, and what expenses are to be reimbursed;
- (e) Whether the lobbyist is employed solely as a lobbyist or whether the lobbyist is a regular employee performing services for the lobbyist's employer which include but are not limited to the influencing of legislation;
 - (f) The general subject or subjects to be lobbied;
- (g) A written authorization from each of the lobbyist's employers confirming such employment;
- (h) The name, address, and electronic contact information of the person who will have custody of the accounts, bills, receipts, books, papers, and documents required to be kept under this ((chapter)) title;
- (i) If the lobbyist's employer is an entity (including, but not limited to, business and trade associations) whose members include, or which as a representative entity undertakes lobbying activities for, businesses, groups, associations, or organizations, the name and address of each member of such entity or person represented by such entity whose fees, dues, payments, or other consideration paid to such entity during either of the prior two years have exceeded five hundred dollars or who is obligated to or has agreed to pay fees, dues, payments, or other consideration exceeding five hundred dollars to such entity during the current year;
- (j) An attestation that the lobbyist has read and completed a training course provided under RCW 44.04.390 regarding the legislative code of conduct and any policies related to appropriate conduct adopted by the senate or the house of representatives.
- (2) Any lobbyist who receives or is to receive compensation from more than one person for lobbying shall file a separate notice of representation for each person. However, if two or more persons are jointly paying or contributing to the payment of the lobbyist, the lobbyist may file a single statement detailing the name, business address, and occupation of each person paying or contributing and the respective amounts to be paid or contributed.
- 38 (3) Whenever a change, modification, or termination of the 39 lobbyist's employment occurs, the lobbyist shall file with the

p. 84 SSB 5857

commission an amended registration statement within one week of the change, modification, or termination.

- (4) Each registered lobbyist shall file a new registration statement, revised as appropriate, on the second Monday in January of each odd-numbered year. Failure to do so terminates the lobbyist's registration.
- **Sec. 474.** RCW 42.17A.603 and 2019 c 469 s 4 are each amended to 8 read as follows:
- 9 (1) A lobbyist who is registered under RCW 42.17A.600 (as recodified by this act) before December 31, 2019, is required to update the lobbyist's registration materials to include the attestation required by RCW 42.17A.600(1)(j) (as recodified by this act) by December 31, 2019.
- 14 (2) The commission shall revoke the registration of any lobbyist 15 registered under RCW 42.17A.600 (as recodified by this act) who does 16 not comply with subsection (1) of this section.
 - (3) The commission may not impose any other penalty on a lobbyist registered under RCW 42.17A.600 (as recodified by this act) for failure to comply with subsection (1) of this section.
 - (4) The commission shall collaborate with the chief clerk of the house of representatives and the secretary of the senate to develop a process to verify that lobbyists who submit an attestation under RCW 42.17A.600(1)(j) (as recodified by this act) have completed the training course provided under RCW 44.04.390.
- **Sec. 475.** RCW 42.17A.605 and 2019 c 469 s 3 and 2019 c 428 s 30 are each reenacted and amended to read as follows:

Each lobbyist shall at the time the lobbyist registers submit electronically to the commission a recent photograph of the lobbyist of a size and format as determined by rule of the commission, together with the name of the lobbyist's employer, the length of the lobbyist's employment as a lobbyist before the legislature, a brief biographical description, and any other information the lobbyist may wish to submit not to exceed ((fifty)) 50 words in length. The photograph, information, and attestation submitted under RCW 42.17A.600(1)(j) (as recodified by this act) shall be published by the commission on its website.

p. 85 SSB 5857

Sec. 476. RCW 42.17A.610 and 2019 c 428 s 31 are each amended to read as follows:

The following persons and activities are exempt from registration and reporting under RCW 42.17A.600 (as recodified by this act), 42.17A.615 (as recodified by this act), and 42.17A.640 (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, digital media, or television and the publication or dissemination thereof by a newspaper, book publisher, regularly published periodical, radio station, digital platform, or television station;
- (4) Persons who lobby without compensation or other consideration for acting as a lobbyist, if the person makes no expenditure for or on behalf of any member of the legislature or elected official or public officer or employee of the state of Washington in connection with such lobbying. The exemption contained in this subsection is intended to permit and encourage citizens of this state to lobby any legislator, public official, or state agency without incurring any registration or reporting obligation provided they do not exceed the limits stated above. Any person exempt under this subsection (4) may at the person's option register and report under this ((chapter)) title;
- (5) Persons who restrict their lobbying activities to no more than four days or parts of four days during any three-month period and whose total expenditures during such three-month period for 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 Washington in connection with such lobbying do not exceed twenty-five dollars. The commission shall adopt rules to require disclosure by persons exempt under this subsection or their employers or entities which sponsor or coordinate the lobbying activities of such persons if it determines that such regulations are necessary to prevent frustration of the purposes of this ((chapter)) title. Any person exempt under this subsection (5) may at the person's option register and report under this ((chapter)) title;

p. 86 SSB 5857

1 (6) The governor;

- (7) The lieutenant governor;
- 3 (8) Except as provided by RCW 42.17A.635(1) (as recodified by this act), members of the legislature;
- 5 (9) Except as provided by RCW 42.17A.635(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;
- 9 (10) Elected officials, and officers and employees of any agency 10 reporting under RCW 42.17A.635(5) (as recodified by this act).
- **Sec. 477.** RCW 42.17A.615 and 2019 c 428 s 32 are each amended to 12 read as follows:
 - (1) Any lobbyist registered under RCW 42.17A.600 (as recodified by this act) and any person who lobbies shall file electronically with the commission monthly reports of the lobbyist's or person's lobbying activities. The reports shall be made in the form and manner prescribed by the commission and must be signed by the lobbyist. The monthly report shall be filed within ((fifteen)) 15 days after the last day of the calendar month covered by the report.
 - (2) The monthly report shall contain:
 - (a) The totals of all expenditures for lobbying activities made or incurred by the lobbyist or on behalf of the lobbyist by the lobbyist's employer during the period covered by the report. Expenditure totals for lobbying activities shall be segregated according to financial category, including compensation; food and refreshments; living accommodations; advertising; travel; contributions; and other expenses or services. Each individual expenditure of more than twenty-five dollars for entertainment shall be identified by date, place, amount, and the names of all persons taking part in the entertainment, along with the dollar amount attributable to each person, including the lobbyist's portion.
 - (b) In the case of a lobbyist employed by more than one employer, the proportionate amount of expenditures in each category incurred on behalf of each of the lobbyist's employers.
 - (c) An itemized listing of each contribution of money or of tangible or intangible personal property, whether contributed by the lobbyist personally or delivered or transmitted by the lobbyist, to any candidate, elected official, or officer or employee of any agency, or any political committee supporting or opposing any ballot

p. 87 SSB 5857

1 proposition, or for or on behalf of any candidate, elected official, or officer or employee of any agency, or any political committee 2 supporting or opposing any ballot proposition. All contributions made 3 to, or for the benefit of, any candidate, elected official, or 4 officer or employee of any agency, or any political committee 5 6 supporting or opposing any ballot proposition shall be identified by date, amount, and the name of the candidate, elected official, or 7 officer or employee of any agency, or any political committee 8 supporting or opposing any ballot proposition receiving, or to be 9 benefited by each such contribution. 10

11

12

1314

1516

17

1819

2021

22

23

2425

26

2728

29

30 31

32

- (d) The subject matter of proposed legislation or other legislative activity or rule making under chapter 34.05 RCW, the state administrative procedure act, and the state agency considering the same, which the lobbyist has been engaged in supporting or opposing during the reporting period, unless exempt under RCW 42.17A.610(2) (as recodified by this act).
- (e) A listing of each payment for an item specified in RCW 42.52.150(5) in excess of fifty dollars and each item specified in RCW 42.52.010(9) (d) and (f) made to a state elected official, state officer, or state employee. Each item shall be identified by recipient, date, and approximate value of the item.
- (f) The total expenditures paid or incurred during the reporting period by the lobbyist for lobbying purposes, whether through or on behalf of a lobbyist or otherwise, for (i) political advertising as defined in ((RCW 42.17A.005)) section 241 of this act; and (ii) public relations, telemarketing, polling, or similar activities if the activities, directly or indirectly, are intended, designed, or calculated to influence legislation or the adoption or rejection of a rule, standard, or rate by an agency under the administrative procedure act. The report shall specify the amount, the person to whom the amount was paid, and a brief description of the activity.
 - (3) Lobbyists are not required to report the following:
- 33 (a) Unreimbursed personal living and travel expenses not incurred directly for lobbying;
- 35 (b) Any expenses incurred for the lobbyist's own living 36 accommodations;
- 37 (c) Any expenses incurred for the lobbyist's own travel to and 38 from hearings of the legislature;

p. 88 SSB 5857

- 1 (d) Any expenses incurred for telephone, and any office expenses, 2 including rent and salaries and wages paid for staff and secretarial 3 assistance.
- 4 (4) The commission may adopt rules to vary the content of 5 lobbyist reports to address specific circumstances, consistent with 6 this section. Lobbyist reports are subject to audit by the 7 commission.
- 8 **Sec. 478.** RCW 42.17A.620 and 2010 c 204 s 805 are each amended 9 to read as follows:
- (1) When a listing or a report of contributions is made to the commission under RCW 42.17A.615(2)(c) (as recodified by this act), a copy of the listing or report must be given to the candidate, elected official, professional staff member of the legislature, or officer or employee of an agency, or a political committee supporting or opposing a ballot proposition named in the listing or report.

17

18

1920

21

22

- (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))) (9) (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.
- 23 **Sec. 479.** RCW 42.17A.625 and 2010 c 204 s 806 are each amended to read as follows:
- Any lobbyist registered under RCW 42.17A.600 (as recodified by 25 this act), any person who lobbies, and any lobbyist's employer making 26 a contribution or an aggregate of contributions to a single entity 27 that is one thousand dollars or more during a special reporting 28 29 period, as specified in RCW 42.17A.265 (as recodified by this act), 30 before a primary or general election shall file one or more special 31 reports in the same manner and to the same extent that a contributing political committee must file under RCW 42.17A.265 (as recodified by 32 33 this act).
- 34 **Sec. 480.** RCW 42.17A.630 and 2019 c 428 s 33 are each amended to read as follows:
- 36 (1) Every employer of a lobbyist registered under this 37 ((chapter)) <u>title</u> during the preceding calendar year and every person

p. 89 SSB 5857

other than an individual who made contributions aggregating to more than sixteen thousand dollars or independent expenditures aggregating to more than eight hundred dollars during the preceding calendar year shall file with the commission on or before the last day of February of each year a statement disclosing for the preceding calendar year the following information:

- (a) The name of each state elected official and the name of each 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 has paid any compensation in the amount of eight hundred dollars or more during the preceding calendar year for personal employment or professional services, including professional services rendered by a corporation, partnership, joint venture, association, union, or other entity in which the person holds any office, directorship, or any general partnership interest, or an ownership interest of ((ten)) 10 percent or more, the value of the compensation in accordance with the reporting provisions set out in RCW 42.17A.710(3) (as recodified by this act), and the consideration given or performed in exchange for the compensation.
- (b) The name of each state elected official, successful candidate for state office, or members of the official's or candidate's 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, "expenditure" 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.
- (c) The total expenditures made by the person reporting for lobbying purposes, whether through or on behalf of a registered lobbyist or otherwise.
 - (d) All contributions made to a political committee supporting or opposing a candidate for state office, or to a political committee supporting or opposing a statewide ballot proposition. Such contributions shall be identified by the name and the address of the recipient and the aggregate amount contributed to each such recipient.

p. 90 SSB 5857

(e) The name and address of each registered lobbyist employed by the person reporting and the total expenditures made by the person reporting for each 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) Any other information the commission prescribes by rule.
- (2) (a) Except as provided in (b) of this subsection, an employer of a lobbyist registered under this ((ehapter)) title shall file a special report with the commission if the employer makes a contribution or contributions aggregating more than one hundred dollars in a calendar month to any one of the following: A candidate, elected official, officer or employee of an agency, or political committee. The report shall identify the date and amount of each such contribution and the name of the candidate, elected official, agency officer or employee, or political committee receiving the contribution or to be benefited by the contribution. The report shall be filed on a form prescribed by the commission and shall be filed within ((fifteen)) 15 days after the last day of the calendar month during which the contribution was made.
- (b) The provisions of (a) of this subsection do not apply to a contribution that is made through a registered lobbyist and reportable under RCW 42.17A.425 (as recodified by this act).
- **Sec. 481.** RCW 42.17A.635 and 2010 c 204 s 808 are each amended 30 to read as follows:
 - (1) The house of representatives and the senate shall report annually: The total budget; the portion of the total attributed to staff; and the number of full-time and part-time staff positions by assignment, with dollar figures as well as number of positions.
 - (2) Unless authorized by subsection (3) of this section or otherwise expressly authorized by law, no public funds may be used directly or indirectly for lobbying. However, this does not prevent officers or employees of an agency from communicating with a member of the legislature on the request of that member; or communicating to

p. 91 SSB 5857

the legislature, through the proper official channels, requests for legislative action or appropriations that are deemed necessary for the efficient conduct of the public business or actually made in the proper performance of their official duties. This subsection does not apply to the legislative branch.

- (3) Any agency, not otherwise expressly authorized by law, may expend public funds for lobbying, but such lobbying activity shall be limited to (a) providing information or communicating on matters pertaining to official agency business to any elected official or officer or employee of any agency or (b) advocating the official position or interests of the agency to any elected official or officer or employee of any agency. Public funds may not be expended as a direct or indirect gift or campaign contribution to any elected official or officer or employee of any agency. For the purposes of this subsection, "gift" means a voluntary transfer of any thing of value without consideration of equal or greater value, but does not include informational material transferred for the sole purpose of informing the recipient about matters pertaining to official agency business. This section does not permit the printing of a state publication that has been otherwise prohibited by law.
- (4) No elective official or any employee of his or her office or any person appointed to or employed by any public office or agency may 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 42.17A.555 (as recodified by this act) and 42.52.180. The provisions of this subsection shall not apply to the following activities:
- (a) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support 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 to the legislature, and (ii) members of the legislative body or members of the public are afforded an approximately equal opportunity for the 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;

p. 92 SSB 5857

- 1 (c) Activities that are part of the normal and regular conduct of the office or agency;
 - (d) Activities conducted regarding an initiative to the legislature that would be permitted under RCW 42.17A.555 (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 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:
 - (a) The name of the agency filing the statement;

4

5

7

8

9

10 11

12

13

14

1516

17

18

19

2021

22

23

24

25

26

27

2829

33

3435

- (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;
- (c) A listing of expenditures incurred by the agency for lobbying including but not limited to travel, consultant or other special contractual services, and brochures and other publications, the principal purpose of which is to influence legislation;
 - (d) For purposes of this subsection, "lobbying" does 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;
- (ii) Recommendations or reports to the legislature in response to a legislative request expressly requesting or directing a specific study, recommendation, or report by an agency on a particular subject;
- 30 (iii) Official reports including recommendations submitted to the 31 legislature on an annual or biennial basis by a state agency as 32 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:
- 36 (A) Telephone conversations or preparation of written 37 correspondence;
- 38 (B) In-person lobbying on behalf of an agency of no more than 39 four days or parts thereof during any three-month period by officers 40 or employees of that agency and in-person lobbying by any elected

p. 93 SSB 5857

official of such agency on behalf of such agency or in connection with the powers, duties, or compensation of such official. 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 or state elected officials or public officers or employees of the state of Washington may not exceed fifteen dollars for any three-month period. The exemption under this subsection (5)(d)(v)(B) is in addition to the exemption provided in (d)(v)(A) of this subsection;

(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.

- (6) In lieu of reporting under subsection (5) of this section, any county, city, town, municipal corporation, quasi municipal corporation, or special purpose district may determine and so notify the public disclosure commission that elected officials, officers, or employees who, on behalf of any such local agency, engage in lobbying reportable under subsection (5) of this section shall register and report such reportable lobbying in the same manner as a lobbyist who is required to register and report under RCW 42.17A.600 (as recodified by this act) and 42.17A.615 (as recodified by this act). Each such local agency shall report as a lobbyist employer pursuant to RCW 42.17A.630 (as recodified by this act).
- (7) The provisions of this section do not relieve any elected official or officer or employee of an agency from complying with other provisions of this ((chapter)) title, if such elected official, officer, or employee is not otherwise exempted.
- (8) The purpose of this section is to require each state agency and certain local agencies to report the identities of those persons who lobby on behalf of the agency for compensation, together with certain separately identifiable and measurable expenditures of an agency's funds for that purpose. This section shall be reasonably construed to accomplish that purpose and not to require any agency to report any of its general overhead cost or any other costs that relate only indirectly or incidentally to lobbying or that are equally attributable to or inseparable from nonlobbying activities of the agency.

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

p. 94 SSB 5857

Sec. 482. RCW 42.17A.640 and 2023 c 413 s 1 are each amended to read as follows:

- (1) Any person who has made expenditures, not reported by a registered lobbyist under RCW 42.17A.615 (as recodified by this act) or by a candidate or political committee under RCW 42.17A.225 (as recodified by this act) or 42.17A.235 (as recodified by this act), exceeding one thousand dollars in the aggregate within any three-month period or exceeding five hundred dollars in the aggregate within any one-month period in presenting a campaign to the public, a substantial portion of which is intended, designed, or calculated primarily to solicit, urge, or encourage the public to influence legislation, shall register and report, as provided in subsection (2) of this section, as a sponsor of a grass roots lobbying campaign.
- 14 (2)(a) The sponsor shall register by filing with the commission a 15 registration statement:
 - (i) Within 24 hours of the initial presentation of the campaign to the public during the period:
 - (A) Beginning on the 30th day before a regular legislative session convenes and continuing through the date of final adjournment of that session; or
 - (B) Beginning on the date that a special legislative session has been called or 30 days before the special legislative session is scheduled to convene, whichever is later, and continuing through the date of final adjournment of that session; or
 - (ii) Within five business days of the initial presentation of the campaign to the public during any other period.
 - (b) The registration must show, in such detail as the commission shall prescribe:
 - (i) The sponsor's name, address, and business or occupation and employer, and, if the sponsor is not an individual, the names, addresses, and titles of the controlling persons responsible for managing the sponsor's affairs;
 - (ii) The names, addresses, and business or occupation and employer of all persons organizing and managing the campaign, or hired to assist the campaign, including any public relations or advertising firms participating in the campaign, and the terms of compensation for all such persons;
- 38 (iii) Each source of funding for the campaign of \$25 or more, 39 including:

p. 95 SSB 5857

(A) General treasury funds. The name and address of each business, union, group, association, or other organization using general treasury funds for the campaign; however, if such entity undertakes a special solicitation of its members or other persons for the campaign, or it otherwise receives funds for the campaign, that entity shall report pursuant to (b) (ii) of this subsection; and

- (B) 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 campaign, along with the amount;
- (iv) The purpose of the campaign, including the specific legislation, rules, rates, standards, or proposals that are the subject matter of the campaign;
- (v) The totals of all expenditures made or incurred to date on behalf of the campaign segregated according to financial category, including but not limited to the following: Advertising, segregated by media, and in the case of large expenditures (as provided by rule of the commission), by outlet; contributions; entertainment, including food and refreshments; office expenses including rent and the salaries and wages paid for staff and secretarial assistance, or the proportionate amount paid or incurred for lobbying campaign activities; consultants; and printing and mailing expenses; and
- (vi) Such other information as shall be required by the commission by rule in conformance with the policies and purposes of this ((chapter)) title.
- (3) Every sponsor who has registered under this section shall file monthly reports with the commission by the ((tenth)) 10th day of the month for the activity during the preceding month. The reports shall update the information contained in the sponsor's registration statement and in prior reports and shall show contributions received and totals of expenditures made during the month, in the same manner as provided for in the registration statement.
- (4) When the campaign has been terminated, the sponsor shall file a notice of termination with the final monthly report. The final report shall state the totals of all contributions and expenditures made on behalf of the campaign, in the same manner as provided for in the registration statement.
- 37 (5)(a) Any advertising or other mass communication produced as 38 part of a campaign must include the following disclosures:
- 39 (i) All written communications shall include the sponsor's name 40 and address. All radio and television communications shall include

p. 96 SSB 5857

- 1 the sponsor's name. The use of an assumed name for the sponsor is unlawful;
 - (ii) If the sponsor is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the communication must include the full name of that individual or entity; and
- 8 (iii) If the communication costs \$1,000 or more, the 9 communication must include:
 - (A) The statement "Top Five Contributors," followed by a listing of the names of each of the five largest sources of funding of \$1,000 or more, as reported under subsection (2)(b) of this section, during the 12-month period preceding the date on which the advertisement is initially to be published or otherwise presented to the public; and
 - (B) If one of the "Top Five Contributors" listed includes a political committee, the statement "Top Three Donors to PAC Contributors," followed by a listing of the names of the three individuals or entities other than political committees making the largest aggregate contributions to political committees using the same methodology as provided in RCW 42.17A.350(2) (as recodified by this act).
 - (b) Abbreviations may be used to describe entities required to be listed under (a) of this subsection if the full name of the entity has been clearly spoken previously during the communication. The information required by (a) of this subsection shall:
 - (i) In a written communication:

- (A) Appear on the first page or fold of the written advertisement or communication in at least 10-point type, or in type at least 10 percent of the largest size type used in a written communication directed at more than one voter, such as a billboard or poster, whichever is larger;
 - (B) Not be subject to the half-tone or screening process; and
- (C) Be set apart from any other printed matter. No text may be before, after, or immediately adjacent to the information required by (a) of this subsection; or
- 36 (ii) In a communication transmitted via television or another 37 medium that includes a visual image or audio:
 - (A) Be clearly spoken; or
- 39 (B) Appear in print and be visible for at least four seconds, 40 appear in letters greater than four percent of the visual screen

p. 97 SSB 5857

- height on a solid black background on the entire bottom one-third of the television or visual display screen, or bottom one-fourth of the screen if the sponsor does not have or is otherwise not required to list its top five contributors, and have a reasonable color contrast with the background.
- 6 (6) The commission is authorized to adopt rules, as needed, to 7 prevent ways to circumvent the purposes of the required disclosures 8 in this section or otherwise in conformance with the policies and 9 purposes of this ((chapter)) title.
- 10 **Sec. 483.** RCW 42.17A.645 and 2010 c 204 s 810 are each amended 11 to read as follows:
- If any person registered or required to be registered as a 12 13 lobbyist, or any employer of any person registered or required to be registered as a lobbyist, employs a member or an employee of the 14 15 legislature, a member of a state board or commission, or a full-time state employee, and that new employee remains in the partial employ 16 17 of the state, the new employer must file within ((fifteen)) days after employment a statement with the commission, signed under oath, 18 19 setting out the nature of the employment, the name of the person 20 employed, and the amount of pay or consideration.
- 21 **Sec. 484.** RCW 42.17A.650 and 2010 c 204 s 811 are each amended 22 to read as follows:
- It is a violation of this ((chapter)) title for any person to employ for pay or any consideration, or pay or agree to pay any consideration to, a person to lobby who is not registered under this ((chapter)) title except upon the condition that such a person must register as a lobbyist as provided by this ((chapter)) title.
- 28 **Sec. 485.** RCW 42.17A.655 and 2019 c 428 s 34 are each amended to 29 read as follows:
- 30 (1) A person required to register as a lobbyist under RCW 42.17A.600 (as recodified by this act) shall substantiate financial 31 32 reports required to be made under this ((chapter)) title with 33 accounts, bills, receipts, books, papers, and other necessary documents and records. All such documents must be obtained and 34 35 preserved for a period of at least five years from the date of filing 36 the statement containing such items and shall be made available for inspection by the commission at any time. If the terms of the 37

p. 98 SSB 5857

- lobbyist's employment contract require that these records be turned over to the lobbyist's employer, responsibility for the preservation and inspection of these records under this subsection shall be with such employer.
- 5 (2) A person required to register as a lobbyist under RCW 42.17A.600 (as recodified by this act) shall not:

8

10 11

12

1314

1516

17

18

19

2021

22

23

2425

26

2728

- (a) Engage in any lobbying activity before registering as a lobbyist;
- (b) Knowingly deceive or attempt to deceive a legislator regarding the facts pertaining to any pending or proposed legislation;
- (c) Cause or influence the introduction of a bill or amendment to that bill for the purpose of later being employed to secure its defeat;
- (d) Knowingly represent an interest adverse to the lobbyist's employer without full disclosure of the adverse interest to the employer and obtaining the employer's written consent;
- (e) Exercise any undue influence, extortion, or unlawful retaliation upon any legislator due to the legislator's position or vote on any pending or proposed legislation;
- (f) Enter into any agreement, arrangement, or understanding in which any portion of the lobbyist's compensation is or will be contingent upon the lobbyist's success in influencing legislation.
- (3) A violation by a lobbyist of this section shall be cause for revocation of the lobbyist's registration, and may subject the lobbyist and the lobbyist's employer, if the employer aids, abets, ratifies, or confirms the violation, to other civil liabilities as provided by this ((chapter)) title.
- 29 **Sec. 486.** RCW 42.17A.700 and 2019 c 428 s 35 are each amended to 30 read as follows:
- 31 (1) After January 1st and before April 15th of each year, every elected official and every executive state officer who served for any 32 portion of the preceding year shall electronically file with the 33 commission a statement of financial affairs for the preceding 34 35 calendar year or for that portion of the year served. Any official or officer in office for any period of time in a calendar year, but not 36 in office as of January 1st of the following year, may electronically 37 38 file either within ((sixty)) 60 days of leaving office or during the January 1st through April 15th reporting period of that following 39

p. 99 SSB 5857

year. Such filing must include information for the portion of the current calendar year for which the official or officer was in office.

4

5

7

8

9

10 11

12

13

14

15

1617

18

19

2021

2425

26

27

2829

- (2) Within two weeks of becoming a candidate, every candidate shall file with the commission a statement of financial affairs for the preceding ((twelve)) 12 months.
 - (3) Within two weeks of appointment, every person appointed to a vacancy in an elective office or executive state officer position during the months of January through November shall file with the commission a statement of financial affairs for the preceding ((twelve)) 12 months, except as provided in subsection (4) of this section. For appointments made in December, the appointee must file the statement of financial affairs between January 1st and January 15th of the immediate following year for the preceding ((twelve)) 12-month period ending on December 31st.
 - (4) A statement of a candidate or appointee filed during the period from January 1st to April 15th shall cover the period from January 1st of the preceding calendar year to the time of candidacy or appointment if the filing of the statement would relieve the individual of a prior obligation to file a statement covering the entire preceding calendar year.
- 22 (5) No individual may be required to file more than once in any 23 calendar year.
 - (6) Each statement of financial affairs filed under this section shall be sworn as to its truth and accuracy.
 - (7) Every elected official and every executive state officer shall file with their statement of financial affairs a statement certifying that they have read and are familiar with RCW 42.17A.555 (as recodified by this act) or 42.52.180, whichever is applicable.
- 30 (8) For the purposes of this section, the term "executive state officer" includes those listed in RCW 42.17A.705 (as recodified by this act).
- 33 (9) This section does not apply to incumbents or candidates for a 34 federal office or the office of precinct committee officer.
- 35 **Sec. 487.** RCW 42.17A.705 and 2017 3rd sp.s. c 6 s 111 are each amended to read as follows:
- For the purposes of RCW 42.17A.700 <u>(as recodified by this act)</u>,

 "executive state officer" includes:

p. 100 SSB 5857

(1) The chief administrative law judge, the director agriculture, the director of the department of services for the blind, the secretary of children, youth, and families, the director of the state system of community and technical colleges, the director of commerce, the director of the consolidated technology services agency, the secretary of corrections, the director of ecology, the commissioner of employment security, the chair of the energy facility site evaluation council, the director of enterprise services, the secretary of the state finance committee, the director of financial management, the director of fish and wildlife, the secretary of the forest practices appeals board, the director of the gambling commission, the secretary of health, the administrator of the Washington state health care authority, the executive secretary of the health care facilities authority, the executive secretary of the higher education facilities authority, the executive secretary of the horse racing commission, the executive secretary of the human rights commission, the executive secretary of the indeterminate sentence review board, the executive director of the state investment board, the director of labor and industries, the director of licensing, the director of the lottery commission, the director of the office of minority and women's business enterprises, the director of parks and recreation, the executive director of the public disclosure commission, the executive director of the Puget Sound partnership, the director of the recreation and conservation office, the director of retirement systems, the director of revenue, the secretary of social and health services, the 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;

1

2

3

4

5

7

8

9

10

1112

13

14

1516

17

18

19

2021

22

23

2425

26

2728

29

3031

32

3334

35

36

37

3839

40

- (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 trustees of each community college and each technical college, each member of the state board for community and technical colleges, state convention and trade center board of directors, Eastern Washington University board of trustees, Washington economic development finance authority, Washington energy northwest executive

p. 101 SSB 5857

board, The Evergreen State College board of trustees, executive 1 ethics board, fish and wildlife commission, forest practices appeals 2 board, forest practices board, gambling commission, Washington health 3 care facilities authority, student achievement council, higher 4 education facilities authority, horse racing commission, state 5 6 housing finance commission, human rights commission, indeterminate sentence review board, board of industrial insurance appeals, state 7 investment board, commission on judicial conduct, legislative ethics 8 board, life sciences discovery fund authority board of trustees, 9 state liquor and cannabis board, lottery commission, Pacific 10 11 Northwest electric power and conservation planning council, parks and 12 recreation commission, Washington personnel resources board, board of pilotage commissioners, pollution control hearings board, public 13 disclosure commission, public employees' benefits board, recreation 14 and conservation funding board, salmon recovery funding board, 15 16 shorelines hearings board, board of tax appeals, transportation 17 commission, University of Washington board of regents, utilities and 18 transportation commission, Washington State University board of regents, and Western Washington University board of trustees. 19

- 20 **Sec. 488.** RCW 42.17A.710 and 2023 c 462 s 502 are each amended 21 to read as follows:
- (1) The statement of financial affairs required by RCW 42.17A.700
 (as recodified by this act) shall disclose the following information
 for the reporting individual and each member of the reporting
 individual's immediate family:
 - (a) Occupation, name of employer, and business address;

2627

28

2930

31

32

33 34

35

36

3738

39

- (b) Each bank account, savings account, and insurance policy in which a direct financial interest was held that exceeds twenty thousand dollars at any time during the reporting period; each other item of intangible personal property in which a direct financial interest was held that exceeds two thousand dollars during the reporting period; the name, address, and nature of the entity; and the nature and highest value of each direct financial interest during the reporting period;
- (c) The name and address of each creditor to whom the value of two thousand dollars or more was owed; the original amount of each debt to each creditor; the amount of each debt owed to each creditor as of the date of filing; the terms of repayment of each debt; and the security given, if any, for each such debt. Debts arising from a

p. 102 SSB 5857

"retail installment transaction" as defined in chapter 63.14 RCW (retail installment sales act) need not be reported;

1

2

4

5

7

8

9

10

1112

13

14

1516

17

18

19

2021

2223

2425

26

27

28

29

3031

32

33

34

35

36

37

3839

40

- (d) Every public or private office, directorship, and position held as trustee; except that an elected official or executive state officer need not report the elected official's or executive state officer's service on a governmental board, commission, association, or functional equivalent, when such service is part of the elected official's or executive state officer's official duties;
- (e) All persons for whom any legislation, rule, rate, or standard has been prepared, promoted, or opposed for current or deferred compensation. For the purposes of this subsection, "compensation" does not include payments made to the person reporting by the governmental entity for which the person serves as an elected official or state executive officer or professional staff member for the person's service in office; the description of such actual or proposed legislation, rules, rates, or standards; and the amount of current or deferred compensation paid or promised to be paid;
- (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 two thousand dollars or more; the value of the compensation; and the consideration given or performed in exchange for the compensation;
- (g) The name of any corporation, partnership, joint venture, association, union, or other entity in which is held any office, directorship, or any general partnership interest, or an ownership interest of ten percent or more; the name or title of that office, directorship, or partnership; the nature of ownership interest; and: (i) With respect to a governmental unit in which the official seeks or holds any office or position, if the entity has received compensation in any form during the preceding twelve months from the unit, the value of the compensation consideration given or performed in exchange for the compensation; (ii) the name of each governmental unit, corporation, partnership, joint venture, sole proprietorship, association, union, or other business or commercial entity from which the entity has received compensation in any form in the amount of ten thousand more during the preceding twelve months and the consideration given or performed in exchange for the compensation. As used in (g)(ii) of this subsection, "compensation" does not include

p. 103 SSB 5857

payment for water and other utility services at rates approved by the Washington state utilities and transportation commission or the legislative authority of the public entity providing the service. With respect to any bank or commercial lending institution in which is held any office, directorship, partnership interest, or ownership interest, it shall only be necessary to report either the name, address, and occupation of every director and officer of the bank or commercial lending institution and the average monthly balance of each account held during the preceding twelve months by the bank or commercial lending institution from the governmental entity for which the individual is an official or candidate or professional staff member, or all interest paid by a borrower on loans from and all interest paid to a depositor by the bank or commercial lending institution if the interest exceeds two thousand four hundred dollars;

(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 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;

- (i) 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 ten thousand dollars in which any direct financial interest was divested during the preceding calendar year, and a statement of the amount and nature of the consideration received in exchange for that interest, and the name and address of the person furnishing the consideration;
- (j) 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 ten thousand dollars in which a direct financial interest was held. If a description of the property has been included in a report previously filed, the property may be listed, for purposes of this subsection (1)(j), by reference to the previously filed report;
- (k) 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 twenty thousand dollars, in which a corporation, partnership, firm, enterprise, or

p. 104 SSB 5857

- other entity had a direct financial interest, in which corporation, partnership, firm, or enterprise a ten percent or greater ownership interest was held;
 - (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);
 - (m) A list of each occasion, specifying date, donor, and amount, at which items specified in RCW 42.52.010(9) (d) and (f) were accepted; and
- 10 (n) Such other information as the commission may deem necessary 11 in order to properly carry out the purposes and policies of this 12 ((chapter)) title, as the commission shall prescribe by rule.
 - (2) (a) When judges, prosecutors, sheriffs, participants in the address confidentiality program under RCW 40.24.030, or their immediate family members are required to disclose real property that is the personal residence of the judge, prosecutor, sheriff, or address confidentiality program participant, the requirements of subsection (1)(h) through (k) of this section may be satisfied for that property by substituting:
 - (i) The city or town;
- 21 (ii) The type of residence, such as a single-family or 22 multifamily residence, and the nature of ownership; and
- 23 (iii) Such other identifying information the commission 24 prescribes by rule for the mailing address where the property is 25 located.
 - (b) Nothing in this subsection relieves the judge, prosecutor, or sheriff of any other applicable obligations to disclose potential conflicts or to recuse oneself.
- 29 (3)(a) Where an amount is required to be reported under 30 subsection (1)(a) through (m) of this section, it may be reported 31 within a range as provided in (b) of this subsection.

32 (b)

4

5

7

8

13

14

15

1617

18

1920

26

27

28

33	Code A	Less than thirty thousand dollars;
34	Code B	At least thirty thousand dollars, but less
35		than sixty thousand dollars;
36	Code C	At least sixty thousand dollars, but less
37		than one hundred thousand dollars;

Code D	At least one hundred thousand dollars, but less than two hundred thousand dollars;
Code E	At least two hundred thousand dollars, but less than five hundred thousand dollars;
Code F	At least five hundred thousand dollars, but less than seven hundred and fifty thousand dollars;
Code G	At least seven hundred fifty thousand dollars, but less than one million dollars; or
Code H	One million dollars or more.

- (c) An amount of stock may be reported by number of shares instead of by market value. No provision of this subsection may be interpreted to prevent any person from filing more information or more detailed information than required.
- (4) Items of value given to an official's or employee's spouse, domestic partner, or family member are attributable to the official or employee, except the item is not attributable if an independent business, family, or social relationship exists between the donor and the spouse, domestic partner, or family member.
- **Sec. 489.** RCW 42.17A.715 and 2010 c 204 s 904 are each amended 22 to read as follows:

No payment shall be made to any person required to report under RCW 42.17A.700 (as recodified by this act) and no payment shall be accepted by any such person, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative, or other person in such a manner as to conceal the identity of the source of the payment or in any other manner so as to effect concealment. The commission may issue categorical and specific exemptions to the reporting of the actual source when there is an undisclosed principal for recognized legitimate business purposes.

- Sec. 490. RCW 42.17A.750 and 2019 c 428 s 37 are each amended to read as follows:
- (1) In addition to the penalties in subsection (2) of this section, and any other remedies provided by law, one or more of the

p. 106 SSB 5857

following civil remedies and sanctions may be imposed by court order in addition to any other remedies provided by law:

- (a) If the court finds that the violation of any provision of this ((chapter)) title by any candidate, committee, or incidental committee probably affected the outcome of any election, the result of that election may be held void and a special election held within ((sixty)) 60 days of the 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 remedy be imposed freely in all appropriate cases to protect the right of the electorate to an informed and knowledgeable vote.
- (b) If any lobbyist or sponsor of any grass roots lobbying campaign violates any of the provisions of this ((chapter)) title, the lobbyist's or sponsor's registration may be revoked or suspended and the lobbyist or sponsor may be enjoined from receiving compensation or making expenditures for lobbying. The imposition of a sanction shall not excuse the lobbyist from filing statements and reports required by this ((chapter)) title.
- (c) A person who violates any of the provisions of this ((chapter)) title may be subject to a civil penalty of not more than ten thousand dollars for each violation. However, a person or entity who violates RCW 42.17A.405 (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.
- (d) When assessing a civil penalty, the court may consider the nature of the violation and any relevant circumstances, including the following factors:
- (i) The respondent's compliance history, including whether the noncompliance was isolated or limited in nature, indicative of systematic or ongoing problems, or part of a pattern of violations by the respondent, resulted from a knowing or intentional effort to conceal, deceive or mislead, or from collusive behavior, or in the case of a political committee or other entity, part of a pattern of violations by the respondent's officers, staff, principal decision makers, consultants, or sponsoring organization;
- (ii) The impact on the public, including whether the noncompliance deprived the public of timely or accurate information during a time-sensitive period or otherwise had a significant or material impact on the public;

p. 107 SSB 5857

1 (iii) Experience with campaign finance law and procedures or the 2 financing, staffing, or size of the respondent's campaign or 3 organization;

4

5

7

8

19

2021

22

23

2425

26

27

28

29

30 31

32

33

34

35

36 37

38

- (iv) The amount of financial activity by the respondent during the statement period or election cycle;
 - (v) Whether the late or unreported activity was within three times the contribution limit per election, including in proportion to the total amount of expenditures by the respondent in the campaign or statement period;
- 10 (vi) Whether the respondent or any person benefited politically 11 or economically from the noncompliance;
- 12 (vii) Whether there was a personal emergency or illness of the 13 respondent or member of the respondent's immediate family;
- 14 (viii) Whether other emergencies such as fire, flood, or utility 15 failure prevented filing;
- 16 (ix) Whether there was commission staff or equipment error, 17 including technical problems at the commission that prevented or 18 delayed electronic filing;
 - (x) The respondent's demonstrated good-faith uncertainty concerning commission staff guidance or instructions;
 - (xi) Whether the respondent is a first-time filer;
 - (xii) Good faith efforts to comply, including consultation with commission staff prior to initiation of enforcement action and cooperation with commission staff during enforcement action and a demonstrated wish to acknowledge and take responsibility for the violation;
 - (xiii) Penalties imposed in factually similar cases; and
 - (xiv) Other factors relevant to the particular case.
 - (e) A person who fails to file a properly completed statement or report within the time required by this ((chapter)) title may be subject to a civil penalty of ten dollars per day for each day each delinquency continues.
 - (f) Each state agency director who knowingly fails to file statements required by RCW 42.17A.635 (as recodified by this act) shall be subject to personal liability in the form of a civil penalty in the amount of one hundred dollars per statement. These penalties are in addition to any other civil remedies or sanctions imposed on the agency.

p. 108 SSB 5857

(g) A person who fails to report a contribution or expenditure as required by this ((chapter)) title may be subject to a civil penalty equivalent to the amount not reported as required.

1

2

3

4

5

7

8

9

27

28

2930

31

32

33

34

- (h) Any state agency official, officer, or employee who is responsible for or knowingly directs or expends public funds in violation of RCW 42.17A.635 (2) or (3) (as recodified by this act) may be subject to personal liability in the form of a civil penalty in an amount that is at least equivalent to the amount of public funds expended in the violation.
- 10 (i) The court may enjoin any person to prevent the doing of any 11 act herein prohibited, or to compel the performance of any act 12 required herein.
- 13 (2) The commission may refer the following violations for 14 criminal prosecution:
- 15 (a) A person who, with actual malice, violates a provision of this ((chapter)) title is guilty of a misdemeanor under chapter 9.92 RCW;
- 18 (b) A person who, within a five-year period, with actual malice,
 19 violates three or more provisions of this ((chapter)) title is guilty
 20 of a gross misdemeanor under chapter 9.92 RCW; and
- (c) A person who, with actual malice, procures or offers any false or forged document to be filed, registered, or recorded with the commission under this ((chapter)) title is guilty of a class C felony under chapter 9.94A RCW.
- 25 **Sec. 491.** RCW 42.17A.755 and 2019 c 428 s 38 are each amended to 26 read as follows:
 - (1) The commission may initiate or respond to a complaint, request a technical correction, or otherwise resolve matters of compliance with this ((chapter)) title, in accordance with this section. If a complaint is filed with or initiated by the commission, the commission must:
 - (a) Dismiss the complaint or otherwise resolve the matter in accordance with subsection (2) of this section, as appropriate under the circumstances after conducting a preliminary review;
- 35 (b) Initiate an investigation to determine whether a violation 36 has occurred, conduct hearings, and issue and enforce an appropriate 37 order, in accordance with chapter 34.05 RCW and subsection (3) of 38 this section; or

p. 109 SSB 5857

(c) Refer the matter to the attorney general, in accordance with subsection (4) of this section.

- (2) (a) For complaints of remediable violations or requests for technical corrections, the commission may, by rule, delegate authority to its executive director to resolve these matters in accordance with subsection (1)(a) of this section, provided the executive director consistently applies such authority.
- (b) The commission shall, by rule, develop additional processes by which a respondent may agree by stipulation to any allegations and pay a penalty subject to a schedule of violations and penalties, unless waived by the commission as provided for in this section. Any stipulation must be referred to the commission for review. If approved or modified by the commission, agreed to by the parties, and the respondent complies with all requirements set forth in the stipulation, the matter is then considered resolved and no further action or review is allowed.
- (3) If the commission initiates an investigation, an initial hearing must be held within ((ninety)) 90 days of the complaint being filed. Following an investigation, in cases where it chooses to determine whether a violation has occurred, the commission shall hold a hearing pursuant to the administrative procedure act, chapter 34.05 RCW. Any order that the commission issues under this section shall be pursuant to such a hearing.
- (a) The person against whom an order is directed under this section shall be designated as the respondent. The order may require the respondent to cease and desist from the activity that constitutes a violation and in addition, or alternatively, may impose one or more of the remedies provided in RCW 42.17A.750(1) (b) through (h) (as recodified by this act), or other requirements as the commission determines appropriate to effectuate the purposes of this ((chapter)) title.
- (b) The commission may assess a penalty in an amount not to exceed ten thousand dollars per violation, unless the parties stipulate otherwise. Any order that the commission issues under this section that imposes a financial penalty must be made pursuant to a hearing, held in accordance with the administrative procedure act, chapter 34.05 RCW.
- (c) The commission has the authority to waive a penalty for a first-time violation. A second violation of the same requirement by the same person, regardless if the person or individual committed the

p. 110 SSB 5857

violation for a different political committee or incidental committee, shall result in a penalty. Successive violations of the same requirement shall result in successively increased penalties. The commission may suspend any portion of an assessed penalty contingent on future compliance with this ((chapter)) title. The commission must create a schedule to enhance penalties based on repeat violations by the person.

- (d) Any order issued by the commission is subject to judicial review under the administrative procedure act, chapter 34.05 RCW. If the commission's order is not satisfied and no petition for review is filed within ((thirty)) 30 days, the commission may petition a court of competent jurisdiction of any county in which a petition for review could be filed under that jurisdiction, for an order of enforcement. Proceedings in connection with the commission's petition shall be in accordance with RCW 42.17A.760 (as recodified by this act).
- (4) In lieu of holding a hearing or issuing an order under this section, the commission may refer the matter to the attorney general consistent with this section, when the commission believes:
- (a) Additional authority is needed to ensure full compliance with this ((chapter)) title;
 - (b) An apparent violation potentially warrants a penalty greater than the commission's penalty authority; or
 - (c) The maximum penalty the commission is able to levy is not enough to address the severity of the violation.
 - (5) Prior to filing a citizen's action under RCW 42.17A.775 (as recodified by this act), a person who has filed a complaint pursuant to this section must provide written notice to the attorney general if the commission does not, within 90 (([ninety])) days of the complaint being filed with the commission, take action pursuant to subsection (1) of this section. A person must simultaneously provide a copy of the written notice to the commission.
- **Sec. 492.** RCW 42.17A.760 and 2010 c 204 s 1003 are each amended to read as follows:
- The following procedure shall apply in all cases where the commission has petitioned a court of competent jurisdiction for enforcement of any order it has issued pursuant to this ((chapter)) title:

p. 111 SSB 5857

- (1) A copy of the petition shall be served by certified mail directed to the respondent at his or her last known address. The court 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, and show cause why the commission's order should not be enforced according to its terms.
- (2) The commission's order shall be enforced by the court if the respondent does not appear, or if the respondent appears and the court finds, pursuant to a hearing held for that purpose:
 - (a) That the commission's order is unsatisfied;

1

2

3

4

5

7

8

9

10 11

12

1314

15

1617

18

19

2021

22

- (b) That the order is regular on its face; and
- (c) That the respondent's answer discloses no valid reason why the commission's order should not be enforced or that the respondent had an appropriate remedy by review under RCW 34.05.570(3) and failed to avail himself or herself of that remedy without valid excuse.
- (3) Upon appropriate application by the respondent, the court may, after hearing and for good cause, alter, amend, revise, suspend, or postpone all or part of the commission's order. In any case where the order is not enforced by the court according to its terms, the reasons for the court's actions shall be clearly stated in writing, and the action shall be subject to review by the appellate courts by certiorari or other appropriate proceeding.
- 23 (4) The court's order of enforcement, when entered, shall have 24 the same force and effect as a civil judgment.
- 25 (5) Notwithstanding RCW 34.05.578 through 34.05.590, this section 26 is the exclusive method for enforcing an order of the commission.
- 27 **Sec. 493.** RCW 42.17A.765 and 2019 c 428 s 39 are each amended to 28 read as follows:
- (1) (a) The attorney general may bring civil actions in the name of the state for any appropriate civil remedy, including but not limited to the special remedies provided in RCW 42.17A.750 (as recodified by this act) upon:
- (i) Referral by the commission pursuant to RCW 42.17A.755(4) (as recodified by this act);
- 35 (ii) Receipt of a notice provided in accordance with RCW 36 42.17A.755(5) (as recodified by this act); or
- 37 (iii) Receipt of a notice of intent to commence a citizen's action, as provided under RCW 42.17A.775(3) (as recodified by this 39 act).

p. 112 SSB 5857

(b) Within ((forty-five)) 45 days of receiving a referral from the commission or notice of the commission's failure to take action provided in accordance with RCW 42.17A.755(5) (as recodified by this act), or within ((ten)) 10 days of receiving a citizen's action notice, the attorney general must publish a decision whether to commence an action on the attorney general's office website. Publication of the decision within the ((forty-five)) 45 day period, or ten-day period, whichever is applicable, shall preclude a citizen's action pursuant to RCW 42.17A.775 (as recodified by this act).

- (c) The attorney general should use the enforcement powers in this section in a consistent manner that provides guidance in complying with the provisions of this ((chapter)) title to candidates, political committees, or other individuals subject to the regulations of this ((chapter)) title.
- (2) The attorney general may investigate or cause to be investigated the activities of any person who there is reason to believe is or has been acting in violation of this ((chapter)) title, and may require any such person or any other person reasonably believed to have information concerning the activities of such person to appear at a time and place designated in the county in which such person resides or is found, to give such information under oath and to produce all accounts, bills, receipts, books, paper and documents which may be relevant or material to any investigation authorized under this ((chapter)) title.
- (3) When the attorney general requires the attendance of any person to obtain such information or produce the accounts, bills, receipts, books, papers, and documents that may be relevant or material to any investigation authorized under this ((ehapter)) title, the attorney general shall issue an order setting forth the time when and the place where attendance is required and shall cause the same to be delivered to or sent by registered mail to the person at least ((fourteen)) 14 days before the date fixed for attendance. The order shall have the same force and effect as a subpoena, shall be effective statewide, and, upon application of the attorney general, obedience to the order may be enforced by 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 subpoena. The court, after hearing, for good cause, and upon application of any person aggrieved by the order, shall have the right to alter, amend,

p. 113 SSB 5857

- 1 revise, suspend, or postpone all or any part of its provisions. In
- 2 any case where the order is not enforced by the court according to
- 3 its terms, the reasons for the court's actions shall be clearly
- 4 stated in writing, and the action shall be subject to review by the
- 5 appellate courts by certiorari or other appropriate proceeding.
- 6 **Sec. 494.** RCW 42.17A.770 and 2018 c 304 s 15 are each amended to read as follows:
- 8 Except as provided in RCW 42.17A.775(4) (as recodified by this
- 9 <u>act)</u>, any action brought under the provisions of this ((chapter))
- 10 <u>title</u> must be commenced within five years after the date when the
- 11 violation occurred.
- 12 **Sec. 495.** RCW 42.17A.775 and 2019 c 428 s 40 are each amended to
- 13 read as follows:

2829

30

31

32

3334

35

36

37

- (1) A person who has reason to believe that a provision of this ((chapter)) title is being or has been violated may bring a citizen's action in the name of the state, in accordance with the procedures of this section.
- 18 (2) A citizen's action may be brought and prosecuted only if the person first has filed a complaint with the commission and:
- (a) The commission has not taken action authorized under RCW 20 42.17A.755(1) (as recodified by this act) within ((ninety)) 90 days 21 22 of the complaint being filed with the commission, and the person who 23 initially filed the complaint with the commission provided written 24 notice to the attorney general in accordance with RCW 42.17A.755(5) 25 (as recodified by this act) and the attorney general has not commenced an action, or published a decision whether to commence 26 action pursuant to RCW 42.17A.765(1)(b) (as recodified by this act), 27

within ((forty-five)) 45 days of receiving the notice;

- (b) For matters referred to the attorney general within ((ninety)) 90 days of the commission receiving the complaint, the attorney general has not commenced an action, or published a decision whether to commence an action pursuant to RCW 42.17A.765(1)(b) (as recodified by this act), within ((forty-five)) 45 days of receiving referral from the commission; and
- (c) The person who initially filed the complaint with the commission has provided notice of a citizen's action in accordance with subsection (3) of this section and the commission or the

p. 114 SSB 5857

attorney general has not commenced action within the ((ten)) 10 days provided under subsection (3) of this section.

- (3) To initiate the citizen's action, after meeting the requirements under subsection (2) (a) and (b) of this section, a person must notify the attorney general and the commission that the person will commence a citizen's action within ((ten)) 10 days if the commission does not take action authorized under RCW 42.17A.755(1) (as recodified by this act), or the attorney general does not commence an action or publish a decision whether to commence an action pursuant to RCW 42.17A.765(1)(b) (as recodified by this act). The attorney general and the commission must notify the other of its decision whether to commence an action.
- (4) The citizen's action must be commenced within two years after the date when the alleged violation occurred and may not be commenced against a committee or incidental committee before the end of such period if the committee or incidental committee has received an acknowledgment of dissolution.
- (5) If the person who brings the citizen's action prevails, the judgment awarded shall escheat to the state, but he or she shall be entitled to be reimbursed by the state for reasonable costs and reasonable attorneys' fees the person incurred. In the case of a citizen's action that is dismissed and that the court also finds was brought without reasonable cause, the court may order the person commencing the action to pay all trial costs and reasonable attorneys' fees incurred by the defendant.

Sec. 496. RCW 42.17A.780 and 2018 c 304 s 17 are each amended to read as follows:

In any action brought under this ((chapter)) title, the court may award to the commission all reasonable costs of investigation and trial, including reasonable attorneys' fees to be fixed by the court. If the violation is found to have been intentional, the amount of the judgment, which shall for this purpose include the costs, may be trebled as punitive damages. If damages or trebled damages are awarded in such an action brought against a lobbyist, the judgment may be awarded against the lobbyist, and the lobbyist's employer or employers joined as defendants, jointly, severally, or both. If the defendant prevails, he or she shall be awarded all costs of trial and may be awarded reasonable attorneys' fees to be fixed by the court and paid by the state of Washington.

p. 115 SSB 5857

1 **Sec. 497.** RCW 42.17A.785 and 2018 c 304 s 18 are each amended to read as follows:

3 The public disclosure transparency account is created in the state treasury. All receipts from penalties collected pursuant to 4 enforcement actions or settlements under this ((chapter)) title, 5 including any fees or costs, must be deposited into the account. 6 7 Moneys in the account may be spent only after appropriation. Moneys in the account may be used only for the implementation of chapter 8 9 304, Laws of 2018 and duties under this ((chapter)) title, and may not be used to supplant general fund appropriations to the 10 commission. 11

- 12 **Sec. 498.** RCW 42.62.040 and 2023 c 360 s 4 are each amended to 13 read as follows:
- The public disclosure commission must adopt rules in furtherance of the purpose of this chapter. Nothing in this chapter constitutes a violation under ((chapter 42.17A RCW)) other chapters of this title, or otherwise authorizes the public disclosure commission to take action under RCW 42.17A.755 (as recodified by this act).
- 19 **Sec. 499.** RCW 15.65.280 and 2011 c 103 s 14 and 2011 c 60 s 1 20 are each reenacted and amended to read as follows:
- 21 The powers and duties of the board shall be:

24

2526

27

2829

30

31

3233

34

- 22 (1) To elect a chair and such other officers as it deems 23 advisable;
 - (2) To advise and counsel the director with respect to the administration and conduct of such marketing agreement or order;
 - (3) To recommend to the director administrative rules and orders and amendments thereto for the exercise of his or her powers in connection with such agreement or order;
 - (4) To advise the director upon all assessments provided pursuant to the terms of such agreement or order and upon the collection, deposit, withdrawal, disbursement and paying out of all moneys;
 - (5) To assist the director in the collection of such necessary information and data as the director may deem necessary in the proper administration of this chapter;
- 35 (6) To administer the order or agreement as its administrative 36 board if the director designates it so to do in such order or 37 agreement;

p. 116 SSB 5857

(7) To work cooperatively with other local, state, and federal agencies; universities; and national organizations for the purposes provided in the board's marketing order or agreement;

- (8) To enter into contracts or interagency agreements with any private or public agency, whether federal, state, or local, to carry out the purposes provided in the board's marketing order or agreement. Personal service contracts must comply with chapter 39.29 RCW;
- (9) To accept and expend or retain any gifts, bequests, contributions, or grants from private persons or private and public agencies to carry out the purposes provided in the board's marketing order or agreement;
- (10) To retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of a board. The retention of a private attorney is subject to review by the office of the attorney general;
- (11) To engage in appropriate fund-raising activities for the purpose of supporting activities of the board authorized by the marketing order or agreement;
- (12) To enter into contracts or agreements for research in the production, irrigation, processing, transportation, marketing, use, or distribution of an affected commodity;
- (13) To participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, irrigation, manufacture, regulation, transportation, distribution, sale, or use of affected commodities including activities authorized under RCW 42.17A.635 (as recodified by this act), including the reporting of those activities to the public disclosure commission;
- (14) To maintain a list of the names and addresses of affected producers that may be compiled from information used to collect assessments under the marketing order or agreement, and data on the value of each producer's production for a minimum three-year period;
- (15) To maintain a list of the names and addresses of persons who handle the affected commodity within the affected area and data on the amount and value of the commodity handled for a minimum three-year period by each person; and
- 37 (16) To perform such other duties as the director may prescribe 38 in the marketing agreement or order.
- Any agreement or order under which the commodity board do administers the order or agreement shall (if so requested by the

p. 117 SSB 5857

- 1 affected producers within the affected area in the proposal or
- 2 promulgation hearing) contain provisions whereby the director
- 3 reserves the power to approve or disapprove every order, rule or
- 4 directive issued by the board, in which event such approval or
- 5 disapproval shall be based on whether or not the director believes
- 6 the board's action has been carried out in conformance with the
- 7 purposes of this chapter.

15

16

17

18

1920

21

2223

24

25

26

27

28

2930

31

3637

- 8 **Sec. 500.** RCW 15.66.140 and 2011 c 103 s 15 and 2011 c 60 s 2 9 are each reenacted and amended to read as follows:
- Every commodity commission shall have such powers and duties in accordance with provisions of this chapter as may be provided in the marketing order and shall have the following powers and duties:
- 13 (1) To elect a chair and such other officers as determined 14 advisable;
 - (2) To adopt, rescind, and amend rules and regulations reasonably necessary for the administration and operation of the commission and the enforcement of its duties under the marketing order;
 - (3) To administer, enforce, direct and control the provisions of the marketing order and of this chapter relating thereto;
 - (4) To employ and discharge at its discretion such administrators and additional personnel, attorneys, advertising and research agencies and other persons and firms that it may deem appropriate and pay compensation to the same;
 - (5) To acquire personal property and purchase or lease office space and other necessary real property and transfer and convey the same;
 - (6) To institute and maintain in its own name any and all legal actions, including actions by injunction, mandatory injunction or civil recovery, or proceedings before administrative tribunals or other governmental authorities necessary to carry out the provisions of this chapter and of the marketing order;
- 32 (7) To keep accurate records of all its receipts and 33 disbursements, which records shall be open to inspection and audit by 34 the state auditor or private auditor designated by the state auditor 35 at least every five years;
 - (8) Borrow money and incur indebtedness;
 - (9) Make necessary disbursements for routine operating expenses;
- 38 (10) To expend funds for commodity-related education, training, 39 and leadership programs as each commission deems expedient;

p. 118 SSB 5857

(11) To work cooperatively with other local, state, and federal agencies; universities; and national organizations for the purposes provided in the commission's marketing order;

- (12) To enter into contracts or interagency agreements with any private or public agency, whether federal, state, or local, to carry out the purposes provided in the commission's marketing order. Personal service contracts must comply with chapter 39.29 RCW;
- (13) To accept and expend or retain any gifts, bequests, contributions, or grants from private persons or private and public agencies to carry out the purposes provided in the commission's marketing order;
- (14) To enter into contracts or agreements for research in the production, irrigation, processing, transportation, marketing, use, or distribution of an affected commodity;
- (15) To retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of a commission. The retention of a private attorney is subject to review by the office of the attorney general;
- (16) To engage in appropriate fund-raising activities for the purpose of supporting activities of the commission authorized by the marketing order;
- (17) To participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, irrigation, manufacture, regulation, transportation, distribution, sale, or use of affected commodities including activities authorized under RCW 42.17A.635 (as recodified by this act), including the reporting of those activities to the public disclosure commission;
- (18) To maintain a list of the names and addresses of affected producers that may be compiled from information used to collect assessments under the provisions of the marketing order and data on the value of each producer's production for a minimum three-year period;
- (19) To maintain a list of the names and addresses of persons who handle the affected commodity within the affected area and data on the amount and value of the commodity handled for a minimum three-year period by each person;
- 37 (20) To request records and audit the records of producers or 38 handlers of the affected commodity during normal business hours to 39 determine whether the appropriate assessment has been paid;

p. 119 SSB 5857

- 1 (21) To acquire or own intellectual property rights, licenses, or 2 patents and to collect royalties resulting from commission-funded 3 research related to the affected commodity; and
- 4 (22) Such other powers and duties that are necessary to carry out 5 the purposes of this chapter.
- 6 **Sec. 501.** RCW 15.89.070 and 2015 c 225 s 13 are each amended to read as follows:

8 The commission shall:

9

10

11

12

13

1415

16

23

24

25

26

27

28

2930

31

- (1) Elect a chair and officers. The officers must include a treasurer who is responsible for all receipts and disbursements by the commission and the faithful discharge of whose duties shall be guaranteed by a bond at the sole expense of the commission. The commission must adopt rules for its own governance that provide for the holding of an annual meeting for the election of officers and the transaction of other business and for other meetings the commission may direct;
- 17 (2) Do all things reasonably necessary to effect the purposes of 18 this chapter. However, the commission has no rule-making power except 19 as provided in this chapter;
- 20 (3) Employ and discharge managers, secretaries, agents, 21 attorneys, and employees and engage the services of independent 22 contractors;
 - (4) Retain, as necessary, the services of private legal counsel to conduct legal actions on behalf of the commission. The retention of a private attorney is subject to review by the office of the attorney general;
 - (5) Receive donations of beer from producers for promotional purposes under subsections (6) and (7) of this section and for fundraising purposes under subsection (8) of this section. Donations of beer for promotional purposes may only be disseminated without charge;
- (6) Engage directly or indirectly in the promotion of Washington 32 beer, including, without limitation, the acquisition in any lawful 33 34 manner and the dissemination without charge of beer. 35 dissemination is not deemed a sale for any purpose and the commission is not deemed a producer, supplier, or manufacturer, or the clerk, 36 servant, or agent of a producer, supplier, distributor, or 37 38 manufacturer. This dissemination without charge shall be for agricultural development or trade promotion, and not for fund-raising 39

p. 120 SSB 5857

purposes under subsection (8) of this section. Dissemination for promotional purposes may include promotional hosting and must in the good faith judgment of the commission be in the aid of the marketing, advertising, sale of beer, or of research related to such marketing, advertising, or sale;

- (7) Promote Washington beer by conducting unique beer tastings without charge;
- (8) Beginning July 1, 2007, fund the Washington beer commission through sponsorship of up to ((twelve)) 12 beer festivals annually at which beer may be sold to festival participants. For this purpose, the commission would qualify for issue of a special occasion license as an exception to WAC 314-05-020 but must comply with laws under Title 66 RCW and rules adopted by the liquor ((control)) and cannabis board under which such events may be conducted;
- (9) Participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, regulation, distribution, sale, or use of beer including activities authorized under RCW 42.17A.635 (as recodified by this act), including the reporting of those activities to the public disclosure commission;
- (10) Acquire and transfer personal and real property, establish offices, incur expenses, and enter into contracts, including contracts for the creation and printing of promotional literature. The contracts are not subject to chapter 43.19 RCW, and are cancelable by the commission unless performed under conditions of employment that substantially conform to the laws of this state and the rules of the department of labor and industries. The commission may create debt and other liabilities that are reasonable for proper discharge of its duties under this chapter;
- (11) Maintain accounts with one or more qualified public depositories as the commission may direct, for the deposit of money, and expend money for purposes authorized by this chapter by drafts made by the commission upon such institutions or by other means;
- (12) Cause to be kept and annually closed, in accordance with generally accepted accounting principles, accurate records of all receipts, disbursements, and other financial transactions, available for audit by the state auditor;
- 38 (13) Create and maintain a list of producers and disseminate 39 information among and solicit the opinions of producers with respect

p. 121 SSB 5857

to the discharge of the duties of the commission, directly or by arrangement with trade associations or other instrumentalities;

1

2

3

4

5

7

8

9

10

1112

13

14

15

19

20

21

22

23

2627

28

29

- enter into contracts with any person, council, commission, or other entity to promote the general welfare of the beer industry and particularly to assist in the sale and distribution of Washington beer in domestic and foreign commerce. The commission shall expend money necessary or advisable for this purpose and to pay its proportionate share of the cost of any program providing direct or indirect assistance to the sale and distribution of Washington beer in domestic or foreign commerce, employing and paying for vendors of professional services of all kinds;
- (15) Sue and be sued as a commission, without individual liability for acts of the commission within the scope of the powers conferred upon it by this chapter;
- 16 (16) Serve as liaison with the liquor ((control)) and cannabis 17 board on behalf of the commission and not for any individual 18 producer;
 - (17) Receive such gifts, grants, and endowments from public or private sources as may be made from time to time, in trust or otherwise, for the use and benefit of the purposes of the commission and expend the same or any income therefrom according to the terms of the gifts, grants, or endowments.
- 24 **Sec. 502.** RCW 15.115.140 and 2011 c 103 s 17 and 2011 c 60 s 4 25 are each reenacted and amended to read as follows:
 - (1) The commission is an agency of the Washington state government subject to oversight by the director. In exercising its powers and duties, the commission shall carry out the following purposes:
- 30 (a) To establish plans and conduct programs for advertising and 31 sales promotion, to maintain present markets, or to create new or 32 larger markets for wheat and barley grown in Washington;
- 33 (b) To engage in cooperative efforts in the domestic or foreign 34 marketing of wheat and barley grown in Washington;
- 35 (c) To provide for carrying on research studies to find more 36 efficient methods of production, irrigation, processing, 37 transportation, handling, and marketing of wheat and barley grown in 38 Washington;

p. 122 SSB 5857

(d) To adopt rules to provide for improving standards and grades by defining, establishing, and providing labeling requirements with respect to wheat and barley grown in Washington;

- (e) To investigate and take necessary action to prevent unfair trade practices relating to wheat and barley grown in Washington;
- (f) To provide information or communicate on matters pertaining to the production, irrigation, processing, transportation, marketing, or uses of wheat and barley grown in Washington to any elected official or officer or employee of any agency;
- 10 (g) To provide marketing information and services for producers 11 of wheat and barley in Washington;
 - (h) To provide information and services for meeting resource conservation objectives of producers of wheat and barley in Washington;
 - (i) To provide for education and training related to wheat and barley grown in Washington; and
 - (j) To assist and cooperate with the department or any local, state, or federal government agency in the investigation and control of exotic pests and diseases that could damage or affect the production or trade of wheat and barley grown in Washington.
 - (2) The commission has the following powers and duties:
 - (a) To collect the assessments of producers as provided in this chapter and to expend the same in accordance with this chapter;
 - (b) To maintain a list of the names and addresses of affected producers that may be compiled from information used to collect assessments authorized under this chapter and data on the value of each producer's production for a minimum three-year period;
 - (c) To maintain a list of the names and addresses of persons who handle wheat or barley within the affected area and data on the amount and value of the wheat and barley handled for a minimum three-year period by each person;
 - (d) To request records and audit the records of producers or handlers of wheat or barley during normal business hours to determine whether the appropriate assessment has been paid;
 - (e) To fund, conduct, or otherwise participate in scientific research relating to wheat or barley, including but not limited to research to find more efficient methods of irrigation, production, processing, handling, transportation, and marketing of wheat or barley, or regarding pests, pesticides, food safety, irrigation,

p. 123 SSB 5857

1 transportation, and environmental stewardship related to wheat or 2 barley;

- (f) To work cooperatively with local, state, and federal agencies, universities, and national organizations for the purposes provided in this chapter;
- (g) To establish a foundation using commission funds as grant money when the foundation benefits the wheat or barley industry in Washington and implements the purposes provided in this chapter;
- (h) To acquire or own intellectual property rights, licenses, or patents and to collect royalties resulting from commission-funded research related to wheat or barley;
 - (i) To enter into contracts or interagency agreements with any private or public agency, whether federal, state, or local, to carry out the purposes and powers provided in this chapter, including specifically contracts or agreements for research described in (e) of this subsection. Personal service contracts must comply with chapter 39.29 RCW;
 - (j) To institute and maintain in its own name any and all legal actions necessary to carry out the provisions of this chapter, including actions by injunction, mandatory injunction or civil recovery, or proceedings before administrative tribunals or other governmental authorities;
 - (k) To retain in emergent situations the services of private legal counsel to conduct legal actions on behalf of the commission. The retention of a private attorney is subject to review and approval by the office of the attorney general;
 - (1) To elect a chair and other officers as determined advisable;
 - (m) To employ and discharge at its discretion administrators and additional personnel, advertising and research agencies, and other persons and firms as appropriate and pay compensation;
- 31 (n) To acquire personal property and purchase or lease office 32 space and other necessary real property and transfer and convey that 33 real property;
 - (o) To keep accurate records of all its receipts and disbursements by commodity, which records must be open to inspection and audit by the state auditor or private auditor designated by the state auditor at least every five years;
 - (p) To borrow money and incur indebtedness;
- 39 (q) To make necessary disbursements for routine operating 40 expenses;

p. 124 SSB 5857

1 (r) To expend funds for commodity-related education, training, 2 and leadership programs as the commission deems expedient;

3

4

5

7

8

12

1314

1516

17

18

1920

21

22

23

2425

26

27

2829

- (s) To accept and expend or retain any gifts, bequests, contributions, or grants from private persons or private and public agencies to carry out the purposes provided in this chapter;
- (t) To apply for and administer federal market access programs or similar programs or projects and provide matching funds as may be necessary;
- 9 (u) To engage in appropriate fund-raising activities for the 10 purpose of supporting activities of the commission authorized in this 11 chapter;
 - (v) To participate in international, federal, state, and local hearings, meetings, and other proceedings relating to the production, irrigation, manufacture, regulation, transportation, distribution, sale, or use of wheat or barley; or the regulation of the manufacture, distribution, sale, or use of any pesticide, as defined in chapter 15.58 RCW, or any agricultural chemical which is of use or potential use in producing wheat or barley. This participation may include activities authorized under RCW 42.17A.635 (as recodified by this act), including the reporting of those activities to the public disclosure commission;
 - (w) To speak on behalf of the Washington state government on a nonexclusive basis regarding issues related to wheat and barley, including but not limited to trade negotiations and market access negotiations and to fund industry organizations engaging in those activities;
 - (x) To adopt, rescind, and amend rules and regulations reasonably necessary for the administration and operation of the commission and the enforcement of its duties under this chapter;
- 30 (y) To administer, enforce, direct, and control the provisions of 31 this chapter and any rules adopted under this chapter; and
- 32 (z) Other powers and duties that are necessary to carry out the 33 purposes of this chapter.
- 34 **Sec. 503.** RCW 19.09.020 and 2020 c 57 s 28 are each amended to read as follows:

When used in this chapter, unless the context otherwise requires:

37 (1) A "bona fide officer or employee" of a charitable 38 organization is one (a) whose conduct is subject to direct control by 39 such organization; (b) who does not act in the manner of an

p. 125 SSB 5857

independent contractor in his or her relation with the organization; and (c) whose compensation is not computed on funds raised or to be raised.

1

2

4

5

7

8

9

10 11

12

13

14

1516

17

18

19

2021

22

23

2425

26

2728

29

30 31

34

35

36

37

3839

40

- (2) "Charitable organization" means any entity that solicits or collects contributions from the general public where the contribution is or is purported to be used to support a charitable purpose, but does not include any commercial fund-raiser, commercial fund-raising entity, commercial coventurer, or any fund-raising counsel, as defined in this section. Churches and their integrated auxiliaries, and political organizations are not charitable organizations, but all are subject to RCW 19.09.100 (15) through (18).
- (3) "Charitable purpose" means any religious, charitable, scientific, testing for public safety, literary, or educational purpose or any other purpose that is beneficial to the community, including environmental, humanitarian, patriotic, or civic purposes, the support of national or international amateur sports competition, the prevention of cruelty to children or animals, the advancement of social welfare, or the benefit of law enforcement personnel, firefighters, and other persons who protect public safety. The term "charitable" is used in its generally accepted legal sense and includes relief of the poor, the distressed, or the underprivileged; advancement of religion; advancement of education or science; erecting or maintaining public buildings, monuments, or works; lessening the burdens of government; lessening neighborhood tensions; eliminating prejudice and discrimination; defending human and civil rights secured by law; and combating community deterioration and juvenile delinquency.
 - (4) "Commercial coventurer" means any individual or corporation, partnership, sole proprietorship, limited liability company, limited partnership, limited liability partnership, or any other legal entity, that:
- 32 (a) Is regularly and primarily engaged in making sales of goods 33 or services for profit directly to the general public;
 - (b) Is not otherwise regularly or primarily engaged in making solicitations in this state or otherwise raising funds in this state for one or more charitable organizations;
 - (c) Represents to prospective purchasers that, if they purchase a good or service from the commercial coventurer, a portion of the sales price or a sum of money or some other specified thing of value will be donated to a named charitable organization; and

p. 126 SSB 5857

(d) Does not ask purchasers to make checks or other instruments payable to a named charitable organization or any entity other than the commercial coventurer itself under its regular commercial name.

- (5) "Commercial fund-raiser" or "commercial fund-raising entity" means any entity that for compensation or other consideration directly or indirectly solicits or receives contributions within this state for or on behalf of any charitable organization or charitable purpose, or that is engaged in the business of, or represents to persons in this state as independently engaged in the business of, soliciting or receiving contributions for such purposes. However, a commercial coventurer, fund-raising counsel, or consultant is not a commercial fund-raiser or commercial fund-raising entity.
- (6) "Compensation" means salaries, wages, fees, commissions, or any other remuneration or valuable consideration.
- (7) "Contribution" means the payment, donation, or promise, for consideration or otherwise, of any money or property of any kind or value which contribution is wholly or partly induced by a solicitation. Reference to dollar amounts of "contributions" or "solicitations" in this chapter means in the case of payments or promises to pay for merchandise or rights of any description, the value of the total amount paid or promised to be paid for such merchandise or rights.
- (8) "Cost of solicitation" means and includes all direct and indirect costs, expenditures, debts, obligations, salaries, wages, commissions, fees, or other money or thing of value paid or incurred in making a solicitation.
- (9) "Entity" means an individual, organization, group, association, partnership, corporation, agency or unit of state government, or any combination thereof.
- (10) "Fund-raising counsel" or "consultant" means any entity or individual who is retained by a charitable organization, for a fixed fee or rate, that is not computed on a percentage of funds raised, or to be raised, under a written agreement only to plan, advise, consult, or prepare materials for a solicitation of contributions in this state, but who does not manage, conduct, or carry on a fund-raising campaign and who does not solicit contributions or employ, procure, or engage any compensated person to solicit contributions, and who does not at any time have custody or control of contributions. A volunteer, employee, or salaried officer of a charitable organization maintaining a permanent establishment or

p. 127 SSB 5857

office in this state is not a fund-raising counsel. An attorney, investment counselor, or banker who advises an individual, corporation, or association to make a charitable contribution is not a fund-raising counsel as a result of the advice.

- (11) "General public" or "public" means any individual or entity located in Washington state without a membership or other official relationship with a charitable organization before a solicitation by the charitable organization.
- (12) "Gross revenue" or "annual gross revenue" means, for any accounting period, the total value of revenue, excluding unrealized capital gains, but including noncash contributions of tangible, personal property received by or on behalf of a charitable organization from all sources, without subtracting any costs or expenses.
- (13) "Membership" means that for the payment of fees, dues, assessments, etc., an organization provides services and confers a bona fide right, privilege, professional standing, honor, or other direct benefit, in addition to the right to vote, elect officers, or hold office. The term "membership" does not include those persons who are granted a membership upon making a contribution as the result of solicitation.
- (14) "Other employee" of a charitable organization means any person (a) whose conduct is subject to direct control by such organization; (b) who does not act in the manner of any independent contractor in his or her relation with the organization; and (c) who is not engaged in the business of or held out to persons in this state as independently engaged in the business of soliciting contributions for charitable purposes or religious activities.
- (15) "Political organization" means those organizations whose activities are subject to $((\frac{\text{chapter }42.17\text{A}}{\text{CM}}))$ Title 29B RCW or the federal elections campaign act of 1971, as amended.
- (16) "Religious organization" means those entities that are not churches or integrated auxiliaries and includes nondenominational ministries, interdenominational and ecumenical organizations, mission organizations, speakers' organizations, faith-based social agencies, and other entities whose principal purpose is the study, practice, or advancement of religion.
 - (17) "Secretary" means the secretary of state.
- 39 (18) "Sign" means, with present intent to authenticate or adopt a 40 record:

p. 128 SSB 5857

1 (a) To execute or adopt a tangible symbol; or

4

5

7

2324

25

26

2728

2930

31

32

33

34

- 2 (b) To attach to or logically associate with the record an electronic symbol, sound, or process.
 - (19)(a) "Solicitation" means any oral or written request for a contribution, including the solicitor's offer or attempt to sell any property, rights, services, or other thing in connection with which:
 - (i) Any appeal is made for any charitable purpose;
- 8 (ii) The name of any charitable organization is used as an 9 inducement for consummating the sale; or
- 10 (iii) Any statement is made that implies that the whole or any 11 part of the proceeds from the sale will be applied toward any 12 charitable purpose or donated to any charitable organization.
- 13 (b) The solicitation shall be deemed completed when made, whether 14 or not the person making it receives any contribution or makes any 15 sale.
- 16 (c) "Solicitation" does not include bingo activities, raffles, 17 and amusement games conducted under chapter 9.46 RCW and applicable 18 rules of the Washington state gambling commission.
- 19 (20) "Solicitation report" means the financial information the 20 secretary requires pursuant to RCW 19.09.075 or 19.09.079.
- 21 **Sec. 504.** RCW 28A.600.027 and 2018 c 125 s 2 are each amended to 22 read as follows:
 - (1) Student editors of school-sponsored media are responsible for determining the news, opinion, feature, and advertising content of the media subject to the limitations of subsection (2) of this section. This subsection does not prevent a student media adviser from teaching professional standards of English and journalism to the student journalists. A student media adviser may not be terminated, transferred, removed, or otherwise disciplined for complying with this section.
 - (2) School officials may only prohibit student expression that:
 - (a) Is libelous or slanderous;
 - (b) Is an unwarranted invasion of privacy;
 - (c) Violates federal or state laws, rules, or regulations;
- 35 (d) Incites students to violate federal or state laws, rules, or 36 regulations;
- 37 (e) Violates school district policy or procedure related to 38 harassment, intimidation, or bullying pursuant to RCW 28A.300.285 or 39 the prohibition on discrimination pursuant to RCW 28A.642.010;

p. 129 SSB 5857

- 1 (f) Inciting of students so as to create a clear and present 2 danger of:
 - (i) The commission of unlawful acts on school premises;

- 4 (ii) The violation of lawful school district policy or procedure; 5 or
 - (iii) The material and substantial disruption of the orderly operation of the school. A school official must base a forecast of material and substantial disruption on specific facts, including past experience in the school and current events influencing student behavior, and not on undifferentiated fear or apprehension; or
 - (g) Is in violation of the federal communications act or applicable federal communication commission rules or regulations.
 - (3) Political expression by students in school-sponsored media shall not be deemed the use of public funds for political purposes, for purposes of the prohibitions of RCW 42.17A.550 (as recodified by this act).
 - (4) Any student, individually or through his or her parent or guardian, enrolled in a public high school may file an appeal of any alleged violation of subsection (1) of this section pursuant to chapter 28A.645 RCW.
 - (5) Expression made by students in school-sponsored media is not necessarily the expression of school policy. Neither a school official nor the governing board of the school or school district may be held responsible in any civil or criminal action for any expression made or published by students in school-sponsored media.
 - (6) Each school district that includes a high school shall adopt a written student freedom of expression policy in accordance with this section. The policy may include reasonable provisions for the time, place, and manner of student expression.
 - (7) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
 - (a) "School-sponsored media" means any matter that is prepared, substantially written, published, or broadcast by student journalists, that is distributed or generally made available, either free of charge or for a fee, to members of the student body, and that is prepared under the direction of a student media adviser. "School-sponsored media" does not include media that is intended for distribution or transmission solely in the classrooms in which they are produced.

p. 130 SSB 5857

- 1 (b) "Student journalist" means a student who gathers, compiles, 2 writes, edits, photographs, records, or prepares information for 3 dissemination in school-sponsored media.
- 4 (c) "Student media adviser" means a person who is employed, 5 appointed, or designated by the school to supervise, or provide 6 instruction relating to, school-sponsored media.
- 7 **Sec. 505.** RCW 28B.15.610 and 2011 c 60 s 11 are each amended to 8 read as follows:

The provisions of this chapter shall not apply to or affect any 9 10 student fee or charge which the students voluntarily maintain upon themselves for student purposes only. Students are authorized to 11 create or increase voluntary student fees for each academic year when 12 13 passed by a majority vote of the student government or its equivalent, or referendum presented to the student body or such other 14 15 process that has been adopted under this section. Notwithstanding RCW 16 42.17A.635 (2) and (3) (as recodified by this act), voluntary student fees imposed under this section and services and activities fees may 17 be used for lobbying by a student government association or its 18 equivalent and may also be used to support a statewide or national 19 20 student organization or its equivalent that may engage in lobbying.

21 **Sec. 506.** RCW 28B.133.030 and 2012 c 198 s 24 are each amended 22 to read as follows:

23

24

25

2627

2829

30

The office may solicit and receive gifts, grants, or endowments from private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the educational assistance grant program. The director, or the director's designee, may spend gifts, grants, or endowments or income from the private sources according to their terms unless the receipt of the gifts, grants, or endowments violates RCW 42.17A.560 (as recodified by this act).

- 31 **Sec. 507.** RCW 29A.32.031 and 2023 c 109 s 8 are each amended to read as follows:
- 33 The voters' pamphlet published or distributed under RCW 29A.32.010 must contain:
- 35 (1) Information about each ballot measure initiated by or 36 referred to the voters for their approval or rejection as required by 37 RCW 29A.32.070;

p. 131 SSB 5857

(2) In even-numbered years, statements, if submitted, from candidates for the office of president and vice president of the United States, United States senator, United States representative, governor, lieutenant governor, secretary of state, state treasurer, state auditor, attorney general, commissioner of public lands, superintendent of public instruction, insurance commissioner, state senator, state representative, justice of the supreme court, judge of the court of appeals, or judge of the superior court. Candidates may also submit campaign contact information and a photograph not more than five years old in a format that the secretary of state determines to be suitable for reproduction in the voters' pamphlet;

- (3) In odd-numbered years, if any office voted upon statewide appears on the ballot due to a vacancy, then statements and photographs for candidates for any vacant office listed in subsection (2) of this section must appear;
- (4) Contact information for the public disclosure commission established under RCW 42.17A.100 (as recodified by this act), including the following statement: "For a list of the people and organizations that donated to state and local candidates and ballot measure campaigns, visit www.pdc.wa.gov." The statement must be placed in a prominent position, such as on the cover or on the first two pages of the voters' pamphlet. The secretary of state may substitute such language as is necessary for accuracy and clarity and consistent with the intent of this section;
 - (5) Contact information for major political parties;
- (6) A brief statement explaining the deletion and addition of language for proposed measures under RCW 29A.32.080;
- 28 (7) A list of all student engagement hubs as designated under RCW 29 29A.40.180;
 - (8) A page providing information about how to access the internet presentation of the information created in RCW 44.48.160 about the state budgets, including a uniform resource locator, a quick response code, and a phone number for the legislative information center. The uniform resource locator and quick response codes will lead the voter to the internet information required in RCW 44.48.160; and
 - (9) Any additional information pertaining to elections as may be required by law or in the judgment of the secretary of state is deemed informative to the voters.

p. 132 SSB 5857

Sec. 508. RCW 29A.84.250 and 2011 c 60 s 14 are each amended to read as follows:

Every person is guilty of a gross misdemeanor who:

- (1) For any consideration or gratuity or promise thereof, signs or declines to sign any initiative or referendum petition; or
- (2) Provides or receives consideration for soliciting or procuring signatures on an initiative or referendum petition if any part of the consideration is based upon the number of signatures solicited or procured, or offers to provide or agrees to receive such consideration any of which is based on the number of signatures solicited or procured; or
- (3) Gives or offers any consideration or gratuity to any person to induce him or her to sign or not to sign or to vote for or against any initiative or referendum measure; or
- (4) Interferes with or attempts to interfere with the right of any voter to sign or not to sign an initiative or referendum petition or with the right to vote for or against an initiative or referendum measure by threats, intimidation, or any other corrupt means or practice; or
- (5) Receives, handles, distributes, pays out, or gives away, directly or indirectly, money or any other thing of value contributed by or received from any person, firm, association, or corporation whose residence or principal office is, or the majority of whose members or stockholders have their residence outside, the state of Washington, for any service rendered for the purpose of aiding in procuring signatures upon any initiative or referendum petition or for the purpose of aiding in the adoption or rejection of any initiative or referendum measure. This subsection does not apply to or prohibit any activity that is properly reported in accordance with the applicable provisions of ((chapter 42.17A)) Title 29B RCW.
- A gross misdemeanor under this section is punishable to the same extent as a gross misdemeanor that is punishable under RCW 9A.20.021.
- **Sec. 509.** RCW 35.02.130 and 2011 c 60 s 15 are each amended to read as follows:
- 35 The city or town officially shall become incorporated at a date 36 from ((one hundred eighty)) 180 days to ((three hundred sixty)) 360 37 days after the date of the election on the question of incorporation. 38 An interim period shall exist between the time the newly elected 39 officials have been elected and qualified and this official date of

p. 133 SSB 5857

1 incorporation. During this interim period, the newly elected officials are authorized to adopt ordinances and resolutions which 2 shall become effective on or after the official 3 incorporation, and to enter into contracts and agreements to 4 facilitate the transition to becoming a city or town and to ensure a 5 6 continuation of governmental services after the official date of incorporation. Periods of time that would be required to elapse 7 between the enactment and effective date of such ordinances, 8 including but not limited to times for publication or for filing 9 referendums, shall commence upon the date of such enactment as though 10 11 the city or town were officially incorporated.

During this interim period, the city or town governing body may adopt rules establishing policies and procedures under the state environmental policy act, chapter 43.21C RCW, and may use these rules and procedures in making determinations under the state environmental policy act, chapter 43.21C RCW.

12

13

14

15

1617

1819

2021

2223

2425

26

2728

29

30 31

32

33

34

35

36

37

3839

40

During this interim period, the newly formed city or town and its governing body shall be subject to the following as though the city or town were officially incorporated: RCW 4.24.470 relating to immunity; ((chapter 42.17A)) <u>Title 29B</u> RCW relating to open government; chapter 42.56 RCW relating to public records; chapter 40.14 RCW relating to the preservation and disposition of public records; chapters 42.20 and 42.23 RCW relating to ethics and conflicts of interest; chapters 42.30 and 42.32 RCW relating to open public meetings and minutes; RCW 35.22.288, 35.23.221, 35.27.300, 35A.12.160, as appropriate, and chapter 35A.65 RCW relating to the publication of notices and ordinances; RCW 35.21.875 and 35A.21.230 relating to the designation of an official newspaper; RCW 36.16.138 relating to liability insurance; RCW 35.22.620, 35.23.352, and 35A.40.210, as appropriate, and statutes referenced therein relating to public contracts and bidding; and chapter 39.34 RCW relating to interlocal cooperation. Tax anticipation or revenue anticipation notes or warrants and other short-term obligations may be issued and funds may be borrowed on the security of these instruments during this interim period, as provided in chapter 39.50 RCW. Funds also may be borrowed from federal, state, and other governmental agencies in the same manner as if the city or town were officially incorporated.

RCW 84.52.020 and 84.52.070 shall apply to the extent that they may be applicable, and the governing body of such city or town may take appropriate action by ordinance during the interim period to

p. 134 SSB 5857

adopt the property tax levy for its first full calendar year following the interim period.

The governing body of the new city or town may acquire needed facilities, supplies, equipment, insurance, and staff during this interim period as if the city or town were in existence. An interim city manager or administrator, who shall have such administrative powers and duties as are delegated by the governing body, may be appointed to serve only until the official date of incorporation. After the official date of incorporation the governing body of such a new city organized under the council manager form of government may extend the appointment of such an interim manager or administrator with such limited powers as the governing body determines, for up to ((ninety)) 90 days. This governing body may submit ballot propositions to the voters of the city or town to authorize taxes to be collected on or after the official date of incorporation, or authorize an annexation of the city or town by a fire protection district or library district to be effective immediately upon the effective date of the incorporation as a city or town.

The boundaries of a newly incorporated city or town shall be deemed to be established for purposes of RCW 84.09.030 on the date that the results of the initial election on the question of incorporation are certified or the first day of January following the date of this election if the newly incorporated city or town does not impose property taxes in the same year that the voters approve the incorporation.

The newly elected officials shall take office immediately upon their election and qualification with limited powers during this interim period as provided in this section. They shall acquire their full powers as of the official date of incorporation and shall continue in office until their successors are elected and qualified at the next general municipal election after the official date of incorporation: PROVIDED, That if the date of the next general municipal election is less than ((twelve)) 12 months after the date of the first election of councilmembers, those initially elected councilmembers shall serve until their successors are elected and qualified at the next following general municipal election as provided in RCW ((29A.20.040)) 29A.60.280. For purposes of this section, the general municipal election shall be the date on which city and town general elections are held throughout the state of Washington, pursuant to RCW 29A.04.330.

p. 135 SSB 5857

In any newly incorporated city that has adopted the councilmanager form of government, the term of office of the mayor, during the interim period only, shall be set by the council, and thereafter shall be as provided by law.

1

2

4

25

2627

28

2930

31

32

33

3435

36

The official date of incorporation shall be on a date from ((one 5 6 hundred eighty)) 180 to ((three hundred sixty)) 360 days after the date of the election on the question of incorporation, as specified 7 in a resolution adopted by the governing body during this interim 8 period. A copy of the resolution shall be filed with the county 9 legislative authority of the county in which all or the major portion 10 11 of the newly incorporated city or town is located. If the governing 12 body fails to adopt such a resolution, the official date of incorporation shall be ((three hundred sixty)) 360 days after the 13 14 date of the election on the question of incorporation. The county legislative authority of the county in which all or the major portion 15 16 of the newly incorporated city or town is located shall file a notice 17 with the county assessor that the city or town has been authorized to be incorporated immediately after the favorable results of the 18 election on the question of incorporation have been certified. The 19 county legislative authority shall file a notice with the secretary 20 21 of state that the city or town is incorporated as of the official 22 date of incorporation.

23 **Sec. 510.** RCW 35.21.759 and 2011 c 60 s 16 are each amended to 24 read as follows:

A public corporation, commission, or authority created under this chapter, and officers and multimember governing body thereof, are subject to general laws regulating local governments, multimember governing bodies, and local governmental officials, including, but not limited to, the requirement to be audited by the state auditor and various accounting requirements provided under chapter 43.09 RCW, the open public record requirements of chapter 42.56 RCW, the prohibition on using its facilities for campaign purposes under RCW 42.17A.555 (as recodified by this act), the open public meetings law of chapter 42.30 RCW, the code of ethics for municipal officers under chapter 42.23 RCW, and the local government whistleblower law under chapter 42.41 RCW.

37 **Sec. 511.** RCW 36.70A.200 and 2023 sp.s. c 1 s 12 are each 38 amended to read as follows:

p. 136 SSB 5857

- (1)(a) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting essential public facilities. Essential public facilities include those facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, state and local correctional facilities, solid waste handling facilities, opioid treatment programs including both mobile and fixed-site medication units, recovery residences, harm reduction programs excluding safe injection sites, and inpatient facilities including substance use disorder treatment facilities, mental health facilities, group homes, community facilities as defined in RCW 72.05.020, and secure community transition facilities as defined in RCW 71.09.020.
 - (b) Unless a facility is expressly listed in (a) of this subsection, essential public facilities do not include facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings but are not used for punishment, correction, counseling, or rehabilitation following the conviction of a criminal offense. Facilities included under this subsection (1)(b) shall not include facilities detaining persons under RCW 71.09.020 (7) or (16) or chapter 10.77 or 71.05 RCW.

- (c) The department of children, youth, and families may not attempt to site new community facilities as defined in RCW 72.05.020 east of the crest of the Cascade mountain range unless there is an equal or greater number of sited community facilities as defined in RCW 72.05.020 on the western side of the crest of the Cascade mountain range.
- (d) For the purpose of this section, "harm reduction programs" means programs that emphasize working directly with people who use drugs to prevent overdose and infectious disease transmission, improve the physical, mental, and social well-being of those served, and offer low threshold options for accessing substance use disorder treatment and other services.
- (2) Each county and city planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process, or amend its existing process, for identifying and siting essential public facilities and adopt or amend its development regulations as

p. 137 SSB 5857

necessary to provide for the siting of secure community transition facilities consistent with statutory requirements applicable to these facilities.

4

5

7

8

9

16

17

18

19

2021

22

23

26

27

- (3) Any city or county not planning under RCW 36.70A.040 shall, not later than September 1, 2002, establish a process for siting secure community transition facilities and adopt or amend its development regulations as necessary to provide for the siting of such facilities consistent with statutory requirements applicable to these facilities.
- 10 (4) The office of financial management shall maintain a list of 11 those essential state public facilities that are required or likely 12 to be built within the next six years. The office of financial 13 management may at any time add facilities to the list.
- 14 (5) No local comprehensive plan or development regulation may 15 preclude the siting of essential public facilities.
 - (6) No person may bring a cause of action for civil damages based on the good faith actions of any county or city to provide for the siting of secure community transition facilities in accordance with this section and with the requirements of chapter 12, Laws of 2001 2nd sp. sess. For purposes of this subsection, "person" includes, but is not limited to, any individual, agency as defined in ((RCW 42.17A.005)) section 203 of this act, corporation, partnership, association, and limited liability entity.
- (7) Counties or cities siting facilities pursuant to subsection (2) or (3) of this section shall comply with RCW 71.09.341.
 - (8) The failure of a county or city to act by the deadlines established in subsections (2) and (3) of this section is not:
- 28 (a) A condition that would disqualify the county or city for grants, loans, or pledges under RCW 43.155.070 or 70A.135.070;
- 30 (b) A consideration for grants or loans provided under RCW 31 43.17.250(3); or
- 32 (c) A basis for any petition under RCW 36.70A.280 or for any 33 private cause of action.
- 34 **Sec. 512.** RCW 42.36.040 and 2011 c 60 s 27 are each amended to read as follows:
- Prior to declaring as a candidate for public office or while campaigning for public office as defined by ((RCW 42.17A.005))

 section 244 of this act no public discussion or expression of an opinion by a person subsequently elected to a public office, on any

p. 138 SSB 5857

- 1 pending or proposed quasi-judicial actions, shall be a violation of 2 the appearance of fairness doctrine.
- 3 **Sec. 513.** RCW 42.52.010 and 2022 c 173 s 1 and 2022 c 71 s 15 4 are each reenacted and amended to read as follows:

5

6 7

8

9

10 11

12

13

1415

16

17

18

1920

21

22

2324

25

2627

28

29

- Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
 - (1) "Agency" means any state board, commission, bureau, committee, department, institution, division, or tribunal in the legislative, executive, or judicial branch of state government. "Agency" includes all elective offices, the state legislature, those institutions of higher education created and supported by the state government, and those courts that are parts of state government. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in RCW 28B.10.930 that is operated in conformance with RCW 28B.10.930.
 - (2) "Assist" means to act, or offer or agree to act, in such a way as to help, aid, advise, furnish information to, or otherwise provide assistance to another person, believing that the action is of help, aid, advice, or assistance to the person and with intent so to assist such person.
 - (3) "Beneficial interest" has the meaning ascribed to it under the Washington case law. However, an ownership interest in a mutual fund or similar investment pooling fund in which the owner has no management powers does not constitute a beneficial interest in the entities in which the fund or pool invests.
 - (4) "Compensation" means anything of economic value, however designated, that is paid, loaned, granted, or transferred, or to be paid, loaned, granted, or transferred for, or in consideration of, personal services to any person.
- 30 (5) "Confidential information" means (a) specific information, 31 rather than generalized knowledge, that is not available to the 32 general public on request or (b) information made confidential by 33 law.
- 34 (6) "Contract" or "grant" means an agreement between two or more 35 persons that creates an obligation to do or not to do a particular 36 thing. "Contract" or "grant" includes, but is not limited to, an 37 employment contract, a lease, a license, a purchase agreement, or a 38 sales agreement.

p. 139 SSB 5857

- 1 (7) "Ethics boards" means the commission on judicial conduct, the 2 legislative ethics board, and the executive ethics board.
- 3 (8) "Family" has the same meaning as "immediate family" in (($\frac{RCW}{42.17A.005}$)) section 228 of this act.

5

7

8

9

10

1112

13

14

1516

17

18

19

2021

22

25

26

27

28

29

30 31

- (9) "Gift" means anything of economic value for which no consideration is given. "Gift" does not include:
- (a) Items from family members or friends where it is clear beyond a reasonable doubt that the gift was not made as part of any design to gain or maintain influence in the agency of which the recipient is an officer or employee;
- (b) Items related to the outside business of the recipient that are customary and not related to the recipient's performance of official duties;
- (c) Items exchanged among officials and employees or a social event hosted or sponsored by a state officer or state employee for coworkers;
- (d) Payments by a governmental or nongovernmental entity of reasonable expenses incurred in connection with a speech, presentation, appearance, or trade mission made in an official capacity. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event;
- (e) Items a state officer or state employee is authorized by law to accept;
 - (f) Payment of enrollment and course fees and reasonable travel expenses attributable to attending seminars and educational programs sponsored by a bona fide governmental or nonprofit professional, educational, trade, or charitable association or institution. As used in this subsection, "reasonable expenses" are limited to travel, lodging, and subsistence expenses incurred the day before through the day after the event;
- 32 (g) Items returned by the recipient to the donor within 33 ((thirty)) 30 days of receipt or donated to a charitable organization 34 within ((thirty)) 30 days of receipt;
- 35 (h) Campaign contributions reported under ((chapter 42.17A)) 36 <u>Title 29B</u> RCW;
- 37 (i) Discounts available to an individual as a member of an 38 employee group, occupation, or similar broad-based group; and
- (j) Awards, prizes, scholarships, or other items provided in recognition of academic or scientific achievement.

p. 140 SSB 5857

(10) "Head of agency" means the chief executive officer of an agency. In the case of an agency headed by a commission, board, committee, or other body consisting of more than one natural person, agency head means the person or board authorized to appoint agency employees and regulate their conduct.

1

2

3

4

5

7

8

9

12

1314

1516

17

18

19

2021

25

26

27

2829

30 31

32

33

34

37

- (11) "Honorarium" means money or thing of value offered to a state officer or state employee for a speech, appearance, article, or similar item or activity in connection with the state officer's or state employee's official role.
- 10 (12) "Institution of higher education" has the same meaning as in 11 RCW 28B.10.016.
 - (13) "Official duty" means those duties within the specific scope of employment of the state officer or state employee as defined by the officer's or employee's agency or by statute or the state Constitution.
 - (14) "Participate" means to participate in state action or a proceeding personally and substantially as a state officer or state employee, through approval, disapproval, decision, recommendation, the rendering of advice, investigation, or otherwise but does not include preparation, consideration, or enactment of legislation or the performance of legislative duties.
- 22 (15) "Person" means any individual, partnership, association, 23 corporation, firm, institution, or other entity, whether or not 24 operated for profit.
 - (16) "Regulatory agency" means any state board, commission, department, or officer, except those in the legislative or judicial branches, authorized by law to conduct adjudicative proceedings, issue permits or licenses, or to control or affect interests of identified persons.
 - (17) "Responsibility" in connection with a transaction involving the state, means the direct administrative or operating authority, whether intermediate or final, and either exercisable alone or through subordinates, effectively to approve, disapprove, or otherwise direct state action in respect of such transaction.
- 35 (18) "State action" means any action on the part of an agency, 36 including, but not limited to:
 - (a) A decision, determination, finding, ruling, or order; and
- 38 (b) A grant, payment, award, license, contract, transaction, 39 sanction, or approval, or the denial thereof, or failure to act with 40 respect to a decision, determination, finding, ruling, or order.

p. 141 SSB 5857

(19) "State employee" means an individual who is employed by an agency in any branch of state government. For purposes of this chapter, employees of the superior courts are not state officers or state employees.

1 2

3

1920

24

25

26

27

2829

30 31

32

33

34

37

38 39

40

- (20) "State officer" means every person holding a position of 5 6 public trust in or under an executive, legislative, or judicial office of the state. "State officer" includes judges of the superior 7 court, judges of the court of appeals, justices of the supreme court, 8 members of the legislature together with the secretary of the senate 9 and the chief clerk of the house of representatives, holders of 10 11 elective offices in the executive branch of state government, chief 12 executive officers of state agencies, members of boards, commissions, or committees with authority over one or more state agencies or 13 institutions, and employees of the state who are engaged in 14 supervisory, policy-making, or policy-enforcing work. For the 15 purposes of this chapter, "state officer" also includes any person 16 17 exercising or undertaking to exercise the powers or functions of a state officer. 18
 - (21) "Thing of economic value," in addition to its ordinary meaning, includes:
- 21 (a) A loan, property interest, interest in a contract or other 22 chose in action, and employment or another arrangement involving a 23 right to compensation;
 - (b) An option, irrespective of the conditions to the exercise of the option; and
 - (c) A promise or undertaking for the present or future delivery or procurement.
 - (22)(a) "Transaction involving the state" means a proceeding, application, submission, request for a ruling or other determination, contract, claim, case, or other similar matter that the state officer, state employee, or former state officer or state employee in question believes, or has reason to believe:
 - (i) Is, or will be, the subject of state action; or
 - (ii) Is one to which the state is or will be a party; or
- 35 (iii) Is one in which the state has a direct and substantial proprietary interest.
 - (b) "Transaction involving the state" does not include the following: Preparation, consideration, or enactment of legislation, including appropriation of moneys in a budget, or the performance of legislative duties by an officer or employee; or a claim, case,

p. 142 SSB 5857

lawsuit, or similar matter if the officer or employee did not participate in the underlying transaction involving the state that is the basis for the claim, case, or lawsuit.

- (23) "University" includes "state universities" and "regional universities" as defined in RCW 28B.10.016 and also includes any research or technology institute affiliated with a university.
- (24) "University research employee" means a state officer or state employee employed by a university, but only to the extent the state officer or state employee is engaged in research, technology transfer, approved consulting activities related to research and technology transfer, or other incidental activities.
- **Sec. 514.** RCW 42.52.150 and 2023 c 91 s 2 are each amended to 13 read as follows:
 - (1) No state officer or state employee may accept gifts, other than those specified in subsections (2) and (5) of this section, with an aggregate value in excess of fifty dollars from a single source in a calendar year or a single gift from multiple sources with a value in excess of fifty dollars. For purposes of this section, "single source" means any person, as defined in RCW 42.52.010, whether acting directly or through any agent or other intermediary, and "single gift" includes any event, item, or group of items used in conjunction with each other or any trip including transportation, lodging, and attendant costs, not excluded from the definition of gift under RCW 42.52.010. The value of gifts given to an officer's or employee's family member or guest shall be attributed to the official or employee for the purpose of determining whether the limit has been exceeded, unless an independent business, family, or social relationship exists between the donor and the family member or guest.
 - (2) Except as provided in subsection (4) of this section, the following items are presumed not to influence under RCW 42.52.140, and may be accepted without regard to the limit established by subsection (1) of this section:
 - (a) Unsolicited flowers, plants, and floral arrangements;
- 34 (b) Unsolicited advertising or promotional items of nominal 35 value, such as pens and note pads;
- 36 (c) Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item;
- 38 (d) Unsolicited items received by a state officer or state 39 employee for the purpose of evaluation or review, if the officer or

p. 143 SSB 5857

employee has no personal beneficial interest in the eventual use or acquisition of the item by the officer's or employee's agency;

- (e) Informational material, publications, or subscriptions related to the recipient's performance of official duties;
- (f) Food and beverages consumed at hosted receptions where attendance is related to the state officer's or state employee's official duties;
- (g) Gifts, grants, conveyances, bequests, and devises of real or personal property, or both, in trust or otherwise accepted and solicited for deposit in the legislative international trade account created in RCW 43.15.050;
- (h) Gifts, grants, conveyances, bequests, and devises of real or personal property, or both, in trust or otherwise accepted and solicited for the purpose of promoting the expansion of tourism as provided for in RCW 43.330.090;
- (i) Gifts, grants, conveyances, bequests, and devises of real or personal property, or both, solicited on behalf of a national or regional legislative association as defined in RCW 42.52.822(2), the 2006 official conference of the national lieutenant governors' association, the annual conference of the national association of state treasurers, or a host committee, for the purpose of hosting an official conference under the circumstances specified in RCW 42.52.820, section 2, chapter 5, Laws of 2006, RCW 42.52.821, or RCW 42.52.822. Anything solicited or accepted may only be received by the national association or host committee and may not be commingled with any funds or accounts that are the property of any person;
- (j) Admission to, and the cost of food and beverages consumed at, events sponsored by or in conjunction with a civic, charitable, governmental, or community organization;
- (k) Unsolicited gifts from dignitaries from another state or a foreign country that are intended to be personal in nature; and
- (1) Gifts, grants, donations, sponsorships, or contributions from any agency or federal or local government agency or program or private source for the purposes of chapter 28B.156 RCW.
- (3) The presumption in subsection (2) of this section is rebuttable and may be overcome based on the circumstances surrounding the giving and acceptance of the item.
- (4) Notwithstanding subsections (2) and (5) of this section, a state officer or state employee of a regulatory agency or of an agency that seeks to acquire goods or services who participates in

p. 144 SSB 5857

- those regulatory or contractual matters may receive, accept, take, or seek, directly or indirectly, only the following items from a person regulated by the agency or from a person who seeks to provide goods or services to the agency:
 - (a) Unsolicited advertising or promotional items of nominal value, such as pens and note pads;

7

8

9

10 11

12

13

14

1516

17

18

19

20

27

2829

30

- (b) Unsolicited tokens or awards of appreciation in the form of a plaque, trophy, desk item, wall memento, or similar item;
- (c) Unsolicited items received by a state officer or state employee for the purpose of evaluation or review, if the officer or employee has no personal beneficial interest in the eventual use or acquisition of the item by the officer's or employee's agency;
- (d) Informational material, publications, or subscriptions related to the recipient's performance of official duties;
- (e) Food and beverages consumed at hosted receptions where attendance is related to the state officer's or state employee's official duties;
- (f) Admission to, and the cost of food and beverages consumed at, events sponsored by or in conjunction with a civic, charitable, governmental, or community organization; and
- 21 (g) Those items excluded from the definition of gift in RCW 22 42.52.010 except:
- (i) Payments by a governmental or nongovernmental entity of reasonable expenses incurred in connection with a speech, presentation, appearance, or trade mission made in an official capacity;
 - (ii) Payments for seminars and educational programs sponsored by a bona fide governmental or nonprofit professional, educational, trade, or charitable association or institution; and
 - (iii) Flowers, plants, and floral arrangements.
- 31 (5) A state officer or state employee may accept gifts in the 32 form of food and beverage on infrequent occasions in the ordinary 33 course of meals where attendance by the officer or employee is 34 related to the performance of official duties. Gifts in the form of 35 food and beverage that exceed fifty dollars on a single occasion 36 shall be reported as provided in ((chapter 42.17A)) Title 29B RCW.
- 37 **Sec. 515.** RCW 42.52.180 and 2022 c 37 s 3 are each amended to 38 read as follows:

p. 145 SSB 5857

(1) No state officer or state employee may use or authorize the use of facilities of an agency, directly or indirectly, for the purpose of assisting a campaign for election of a person to an office or for the promotion of or opposition to a ballot proposition. Knowing acquiescence by a person with authority to direct, control, or influence the actions of the state officer or state employee using public resources in violation of this section constitutes a violation of this section. Facilities of an agency include, but are not limited to, use of stationery, postage, machines, and equipment, use of state employees of the agency during working hours, vehicles, office space, publications of the agency, and clientele lists of persons served by the agency.

- (2) This section shall not apply to the following activities:
- (a) Action taken at an open public meeting by members of an elected legislative body to express a collective decision, or to actually vote upon a motion, proposal, resolution, order, or ordinance, or to support or oppose a ballot proposition as long as (i) required notice of the meeting includes the title and number of the ballot proposition, and (ii) members of the legislative body or members of the public are afforded an approximately equal opportunity for the expression of an opposing view;
- (b) 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. For the purposes of this subsection, it is not a violation of this section for an elected official to respond to an inquiry regarding a ballot proposition, to make incidental remarks concerning a ballot proposition in an official communication, or otherwise comment on a ballot proposition without an actual, measurable expenditure of public funds. The ethics boards shall adopt by rule a definition of measurable expenditure;
- (c)(i) The maintenance of official legislative websites throughout the year, regardless of pending elections. The websites may contain any discretionary material which was also specifically prepared for the legislator in the course of his or her duties as a legislator, including newsletters and press releases.
- (ii) The official legislative websites of legislators seeking reelection or election to any office shall not be altered, other than during a special legislative session, beginning on the first day of the declaration of candidacy filing period specified in RCW 29A.24.050 through the date of certification of the general election

p. 146 SSB 5857

- 1 of the election year. As used in this subsection, "legislator" means
- 2 a legislator who is a "candidate," as defined in ((RCW 42.17A.005))
- 3 <u>section 209 of this act</u>, for any public office. "Legislator" does not
- 4 include a member of the legislature who has announced their
- 5 retirement from elected public office and who does not file a
- 6 declaration of candidacy by the end of the candidacy filing period
- 7 specified in RCW 29A.24.050.

12

1314

1516

17

18 19

20

21

22

25

26

27

28

29

30

- 8 (iii) The website shall not be used for campaign purposes;
- 9 (d) Activities that are part of the normal and regular conduct of 10 the office or agency, which include but are not limited to:
 - (i) Communications by a legislator or appropriate legislative staff designee directly pertaining to any legislative proposal which has been introduced in either chamber of the legislature; and
 - (ii) Posting, by a legislator or appropriate legislative staff designee, information to a legislator's official legislative website including an official legislative social media account, about:
 - (A) Emergencies;
 - (B) Federal holidays, state and legislatively recognized holidays established under RCW 1.16.050, and religious holidays;
 - (C) Information originally provided or published by other government entities which provide information about government resources; and
- 23 (D) Achievements, honors, or awards of extraordinary distinction; 24 and
 - (e) De minimis use of public facilities by statewide elected officials and legislators incidental to the preparation or delivery of permissible communications, including written and verbal communications initiated by them of their views on ballot propositions that foreseeably may affect a matter that falls within their constitutional or statutory responsibilities.
- 31 (3) As to state officers and employees, this section operates to the exclusion of RCW 42.17A.555 (as recodified by this act).
- 33 (4) As used in this section, "official legislative website" 34 includes, but is not limited to, a legislator's official legislative 35 social media accounts.
- 36 **Sec. 516.** RCW 42.52.185 and 2022 c 37 s 4 are each amended to read as follows:
- 38 (1) During the period beginning on the first day of the 39 declaration of candidacy filing period specified in RCW 29A.24.050 in

p. 147 SSB 5857

1 the year of a general election for a state legislator's election to office and continuing through the date of certification of the 2 general election, the legislator may not mail, either by regular mail 3 or email, to a constituent at public expense a letter, newsletter, 4 brochure, or other piece of literature, except for routine 5 6 legislative correspondence, such as scheduling, and the legislator may, by mail or email, send an individual letter to (a) an individual 7 constituent who has contacted the legislator regarding the subject 8 matter of the letter during the legislator's current term of office; 9 10 (b) an individual constituent who holds a governmental office with jurisdiction over the subject matter of the letter; or (c) 11 12 individual constituent who has received an award or honor of extraordinary distinction of a type that is sufficiently infrequent 13 to be noteworthy to a reasonable person including, but not limited 14 to: (i) An international or national award such as the Nobel prize or 15 16 the Pulitzer prize; (ii) a state award such as Washington scholar; 17 (iii) an Eagle Scout award; and (iv) a Medal of Honor.

- (2) A violation of this section constitutes use of the facilities of a public office for the purpose of assisting a campaign under RCW 42.52.180.
- (3) The house of representatives and senate shall specifically limit expenditures per member for the total cost of mailings. Those costs include, but are not limited to, production costs, printing costs, and postage costs. The limits imposed under this subsection apply only to the total expenditures on mailings per member and not to any categorical cost within the total.
 - (4) For purposes of this section:

1819

2021

22

23

2425

26

27

28

29

30 31

32

33

34

3536

37

38

- (a) "Legislator" means a legislator who is a "candidate," as defined in ((RCW 42.17A.005)) section 209 of this act, for any public office. "Legislator" does not include a member of the legislature who has announced their retirement from elected public office and who does not file a declaration of candidacy by the end of the candidacy filing period specified in RCW 29A.24.050.
- (b) Persons residing outside the legislative district represented by the legislator are not considered to be constituents, but students, military personnel, or others temporarily employed outside of the district who normally reside in the district are considered to be constituents.

p. 148 SSB 5857

1 Sec. 517. RCW 42.52.380 and 2011 c 60 s 32 are each amended to 2 read as follows:

3

4

5 6

7

8

9

10 11

12

13 14

15 16

17

18

19

20 21

22

23 24

25

26

27

28 29

30

31

33 34

35

36

37 38

- (1) No member of the executive ethics board may (a) hold or campaign for partisan elective office other than the position of precinct committeeperson, or any full-time nonpartisan office; (b) be an officer of any political party or political committee as defined in ((chapter 42.17A)) Title 29B RCW other than the position of precinct committeeperson; (c) permit his or her name to be used, or make contributions, in support of or in opposition to any state candidate or state ballot measure; or (d) lobby or control, direct, or assist a lobbyist except that such member may appear before any committee of the legislature on matters pertaining to this chapter.
- (2) No citizen member of the legislative ethics board may (a) hold or campaign for partisan elective office other than the position of precinct committeeperson, or any full-time nonpartisan office; (b) be an officer of any political party or political committee as defined in ((chapter 42.17A)) <u>Title 29B</u> RCW, other than the position of precinct committeeperson; (c) permit his or her name to be used, or make contributions, in support of or in opposition to any legislative candidate, any legislative caucus campaign committee that supports or opposes legislative candidates, or any political action committee that supports or opposes legislative candidates; or (d) engage in lobbying in the legislative branch under circumstances not exempt, under RCW 42.17A.610 (as recodified by this act), from lobbyist registration and reporting.
- (3) No citizen member of the legislative ethics board may hold or campaign for a seat in the state house of representatives or the state senate within two years of serving on the board if the citizen member opposes an incumbent who has been the respondent in a complaint before the board.
- Sec. 518. RCW 42.52.560 and 2011 c 60 s 33 are each amended to 32 read as follows:
 - (1) Nothing in this chapter prohibits a state employee from distributing communications from an employee organization charitable organization to other state employees communications do not support or oppose a ballot proposition or candidate for federal, state, or local public office. Nothing in this section shall be construed to authorize any lobbying activity with

p. 149 SSB 5857 public funds beyond the activity permitted by RCW 42.17A.635 (as recodified by this act).

- (2) "Employee organization," for purposes of this section, means any organization, union, or association in which employees participate and that exists for the purpose of collective bargaining with employers or for the purpose of opposing collective bargaining or certification of a union.
- **Sec. 519.** RCW 42.52.806 and 2023 c 387 s 4 are each amended to 9 read as follows:

This chapter does not prohibit the members of the Billy Frank Jr. national statuary hall selection committee, members of the legislature, when outside the period in which solicitation of contributions is prohibited by RCW 42.17A.560 (as recodified by this act), or employees of the Washington state historical society from soliciting contributions for the purposes established in chapter 20, Laws of 2021, and for deposit into the Billy Frank Jr. national statuary hall collection fund created in RCW 43.08.800.

Sec. 520. RCW 43.03.305 and 2023 c 470 s 1005 are each amended 19 to read as follows:

There is created a commission to be known as the Washington citizens' commission on salaries for elected officials, to consist of members appointed by the governor as provided in this section.

- (1) One registered voter from each congressional district shall be selected by the secretary of state from among those registered voters eligible to vote at the time persons are selected for appointment to serve on the commission. The secretary shall establish policies and procedures for conducting the selection by lot. The policies and procedures shall include, but not be limited to, those for notifying persons selected and for providing a new selection from a congressional district if a person selected from the district declines appointment to the commission or if, following the person's appointment, the person's position on the commission becomes vacant before the end of the person's term of office.
- (2) Seven commission members, all residents of this state, shall be selected jointly by the speaker of the house of representatives and the president of the senate. The persons selected under this subsection shall have had experience in the field of personnel management. Of these seven members, one shall be selected from each

p. 150 SSB 5857

of the following five sectors in this state: Private institutions of higher education; business; professional personnel management; legal profession; and organized labor. Of the two remaining members, one shall be a person recommended to the speaker and the president by the chair of the Washington personnel resources board and one shall be a person recommended by majority vote of the presidents of the state's four-year institutions of higher education.

- (3) The secretary of state shall forward the names of persons selected under subsection (1) of this section and the speaker of the house of representatives and president of the senate shall forward the names of persons selected under subsection (2) of this section to the governor who shall appoint these persons to the commission. Except as provided in subsection (6) of this section, all members shall serve four-year terms and the names of the persons selected for appointment to the commission shall be forwarded to the governor not later than the first day of July every two years.
- (4) No person may be appointed to more than two terms. No member of the commission may be removed by the governor during his or her term of office unless for cause of incapacity, incompetence, neglect of duty, or malfeasance in office or for a disqualifying change of residence.

The unexcused absence of any person who is a member of the commission from two consecutive meetings of the commission shall constitute the relinquishment of that person's membership on the commission. Such a relinquishment creates a vacancy in that person's position on the commission. A member's absence may be excused by the chair of the commission upon the member's written request if the chair believes there is just cause for the absence. Such a request must be received by the chair before the meeting for which the absence is to be excused. A member's absence from a meeting of the commission may also be excused during the meeting for which the member is absent by the affirmative vote of a majority of the members of the commission present at the meeting.

(5) No state official, public employee, or lobbyist, or immediate family member of the official, employee, or lobbyist, subject to the registration requirements of $((\frac{\text{chapter }42.17\text{A}}))$ Title 29B RCW is eligible for membership on the commission.

As used in this subsection the phrase "immediate family" means the parents, spouse or domestic partner, siblings, children, or dependent relative of the official or lobbyist whether or not living

p. 151 SSB 5857

in the household of the official or lobbyist, and the parent, spouse or domestic partner, sibling, child, or dependent relative of the employee, living in the household of the employee or who is dependent in whole or in part for his or her support upon the earnings of the state employee.

1

3

4 5

6

7

8

10

- (6) (a) Upon a vacancy in any position on the commission, a successor shall be selected and appointed to fill the unexpired term. The selection and appointment shall be concluded within thirty days of the date the position becomes vacant and shall be conducted in the same manner as originally provided.
- 11 Initial members appointed from congressional districts created after July 22, 2011, shall be selected and appointed in the 12 manner provided in subsection (1) of this section. The selection and 13 14 appointment must be concluded within ninety days of the date the district is created. The term of an initial member appointed under 15 this subsection terminates July 1st of an even-numbered year so that 16 at no point may the terms of more than one-half plus one of the 17 members selected under subsection (1) of this section terminate in 18 19 the same year.
- 20 **Sec. 521.** RCW 43.17.320 and 2011 c 60 s 35 are each amended to 21 read as follows:
- For purposes of RCW 43.17.320 through 43.17.340, "state agency" means:
- (1) Any agency for which the executive officer is listed in RCW 42.17A.705(1) (as recodified by this act); and
- 26 (2) The office of the secretary of state; the office of the state 27 treasurer; the office of the state auditor; the department of natural 28 resources; the office of the insurance commissioner; and the office 29 of the superintendent of public instruction.
- 30 **Sec. 522.** RCW 43.52A.030 and 2011 c 60 s 36 are each amended to 31 read as follows:
- The governor, with the consent of the senate, shall appoint two residents of Washington state to the council pursuant to the act. These persons shall undertake the functions and duties of members of the council as specified in the act and in appropriate state law. Upon appointment by the governor to the council, the nominee shall make available to the senate such disclosure information as is

p. 152 SSB 5857

- requested for the confirmation process, including that required in RCW 42.17A.710 (as recodified by this act).
- 3 **Sec. 523.** RCW 43.59.156 and 2020 c 72 s 1 are each amended to 4 read as follows:
 - (1) Within amounts appropriated to the traffic safety commission, the commission must convene the Cooper Jones active transportation safety council comprised of stakeholders who have a unique interest or expertise in the safety of pedestrians, bicyclists, and other nonmotorists.
 - (2) The purpose of the council is to review and analyze data and programs related to fatalities and serious injuries involving pedestrians, bicyclists, and other nonmotorists to identify points at which the transportation system can be improved including, whenever possible, privately owned areas of the system such as parking lots, and to identify patterns in pedestrian, bicyclist, and other nonmotorist fatalities and serious injuries. The council may also:
 - (a) Monitor progress on implementation of existing council recommendations; and
 - (b) Seek opportunities to expand consideration and implementation of the principles of systematic safety, including areas where data collection may need improvement.
 - (3) (a) The council may include, but is not limited to:
 - (i) A representative from the commission;
- 24 (ii) A coroner from the county in which pedestrian, bicyclist, or 25 nonmotorist deaths have occurred;
- 26 (iii) Multiple members of law enforcement who have investigated 27 pedestrian, bicyclist, or nonmotorist fatalities;
 - (iv) A traffic engineer;

6

7

8

9

10

11

12

13

1415

16

17

18

1920

21

22

23

28

31

- 29 (v) A representative from the department of transportation and a 30 representative from the department of health;
 - (vi) A representative from the association of Washington cities;
- 32 (vii) A representative from the Washington state association of 33 counties;
- (viii) A representative from a pedestrian advocacy group; and
- 35 (ix) A representative from a bicyclist or other nonmotorist 36 advocacy group.
- 37 (b) The commission may invite other representatives of 38 stakeholder groups to participate in the council as deemed 39 appropriate by the commission. Additionally, the commission may

p. 153 SSB 5857

1 invite a victim or family member of a victim to participate in the 2 council.

- (4) The council must meet at least quarterly. By December 31st of each year, the council must issue an annual report detailing any findings and recommendations to the governor and the transportation committees of the legislature. The commission must provide the annual report electronically to all municipal governments and state agencies that participated in the council during that calendar year. Additionally, the council must report any budgetary or fiscal recommendations to the office of financial management and the legislature by August 1st on a biennial basis.
- (5) As part of the review of pedestrian, bicyclist, or nonmotorist fatalities and serious injuries that occur in Washington, the council may review any available information, including crash information maintained in existing databases; statutes, rules, policies, or ordinances governing pedestrians and traffic related to the incidents; and any other relevant information. The council may make recommendations regarding changes in statutes, ordinances, rules, and policies that could improve pedestrian, bicyclist, or nonmotorist safety. Additionally, the council may make recommendations on how to improve traffic fatality and serious injury data quality, including crashes that occur in privately owned property such as parking lots. The council may consult with local cities and counties, as well as local police departments and other law enforcement agencies and associations representing those jurisdictions on how to improve data quality regarding crashes occurring on private property.
- (6) (a) Documents prepared by or for the council are inadmissible and may not be used in a civil or administrative proceeding, except that any document that exists before its use or consideration in a review by the council, or that is created independently of such review, does not become inadmissible merely because it is reviewed or used by the council. For confidential information, such as personally identifiable information and medical records, which are obtained by the council, neither the commission nor the council may publicly disclose such confidential information. No person who was in attendance at a meeting of the council or who participated in the creation, retention, collection, or maintenance of information or documents specifically for the commission or the council shall be permitted to testify in any civil action as to the content of such

p. 154 SSB 5857

- proceedings or of the documents and information prepared specifically as part of the activities of the council. However, recommendations from the council and the commission generally may be disclosed without personal identifiers.
 - (b) The council may review, only to the extent otherwise permitted by law or court rule when determined to be relevant and necessary: Any law enforcement incident documentation, such as incident reports, dispatch records, and victim, witness, and suspect statements; any supplemental reports, probable cause statements, and 911 call taker's reports; and any other information determined to be relevant to the review. The commission and the council must maintain the confidentiality of such information to the extent required by any applicable law.
 - (7) If acting in good faith, without malice, and within the parameters of and protocols established under this chapter, representatives of the commission and the council are immune from civil liability for an activity related to reviews of particular fatalities and serious injuries.
 - (8) This section must not be construed to provide a private civil cause of action.
 - (9) (a) The council may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the council and spend the gifts, grants, or endowments from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17A.560 (as recodified by this act).
 - (b) Subject to the appropriation of funds for this specific purpose, the council may provide grants targeted at improving pedestrian, bicyclist, or nonmotorist safety in accordance with recommendations made by the council.
 - (10) For purposes of this section:

- (a) "Bicyclist fatality" means any death of a bicyclist resulting from a collision, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.
- 36 (b) "Council" means the Cooper Jones active transportation safety 37 council.
- 38 (c) "Nonmotorist" means anyone using the transportation system 39 who is not in a vehicle.

p. 155 SSB 5857

- 1 (d) "Pedestrian fatality" means any death of a pedestrian 2 resulting from a collision, whether on a roadway, at an intersection, 3 along an adjacent sidewalk, or on a path that is contiguous with a 4 roadway.
- (e) "Serious injury" means any injury other than a fatal injury that prevents the injured person from walking, driving, or normally continuing the activities the person was capable of performing before the injury occurred.
- 9 **Sec. 524.** RCW 43.60A.175 and 2014 c 179 s 2 are each amended to 10 read as follows:
- 11 (1) The department may receive gifts, grants, or endowments from 12 public or private sources that are made from time to time, in trust 13 or otherwise, for the use and benefit of the purposes of the veterans 14 innovations program and spend gifts, grants, or endowments or income 15 from the public or private sources according to their terms, unless 16 the receipt of the gifts, grants, or endowments violates RCW 17 42.17A.560 (as recodified by this act).
- 18 (2) The department may adopt rules under chapter 34.05 RCW as 19 necessary to carry out the purposes of RCW 43.60A.160 through 20 43.60A.185.
- 21 (3) The department may perform all acts and functions as 22 necessary or convenient to carry out the powers expressly granted or 23 implied under chapter 343, Laws of 2006.
- 24 **Sec. 525.** RCW 43.166.030 and 2022 c 259 s 3 are each amended to 25 read as follows:
 - (1) State lands development authorities have the power to:
- 27 (a) Accept gifts, grants, loans, or other aid from public and 28 private entities;
- 29 (b) Employ and appoint such agents, attorneys, officers, and 30 employees as may be necessary to implement its purposes and duties;
- 31 (c) Contract and enter into partnerships with individuals, 32 associations, corporations, and local, state, and federal 33 governments;
 - (d) Buy, own, and lease real and personal property;
- 35 (e) Sell real and personal property, subject to any rules and 36 restrictions contained in the proposal to establish a state lands 37 development authority under RCW 43.166.010;
 - (f) Hold in trust, improve, and develop land;

34

38

p. 156 SSB 5857

(g) Invest, deposit, and reinvest its funds;

1

13

14

1516

17

18

1920

- 2 (h) Incur debt in furtherance of its mission: Provided, however, 3 that state lands development authorities are expressly prohibited from incurring debt on behalf of the state of Washington as defined 4 in Article VIII, section 1 of the state Constitution. A state lands 5 6 development authority obligation to repay borrowed money does not 7 constitute an obligation, either general, special, or moral, of the state of Washington. State lands development authorities are 8 expressly prohibited from using, either directly or indirectly, 9 "general state revenues" as defined in Article VIII, section 1 of the 10 11 state Constitution to satisfy any state lands development authority 12 obligation to repay borrowed money;
 - (i) Lend or grant its funds for any lawful purposes. For purposes of this section, "lawful purposes" includes without limitation, any use of funds, including loans thereof to public or private parties, authorized by agreements with the United States or any department or agency thereof under which federal or private funds are obtained, or authorized under federal laws and regulations pertinent to such agreements; and
 - (j) Exercise such additional powers as may be authorized by law.
- 21 (2) A state lands development authority that accepts public funds 22 under subsection (1)(a) of this section:
- (a) Is subject in all respects to Article VIII, section 5 or 7, as appropriate, of the state Constitution, and RCW 42.17A.550 (as recodified by this act); and
- 26 (b) May not use such funds to support or oppose a candidate, 27 ballot proposition, political party, or political committee.
- 28 (3) State lands development authorities do not have any authority 29 to levy taxes or assessments.
- 30 **Sec. 526.** RCW 43.167.020 and 2011 c 60 s 40 are each amended to 31 read as follows:
- 32 (1) A community preservation and development authority shall have 33 the power to:
- 34 (a) Accept gifts, grants, loans, or other aid from public or 35 private entities;
- 36 (b) Employ and appoint such agents, attorneys, officers, and 37 employees as may be necessary to implement the purposes and duties of 38 an authority;

p. 157 SSB 5857

- 1 (c) Contract and enter into partnerships with individuals, 2 associations, corporations, and local, state, and federal 3 governments;
 - (d) Buy, own, lease, and sell real and personal property;
 - (e) Hold in trust, improve, and develop land;

5

7

22

23

24

25

26

27

28

- (f) Invest, deposit, and reinvest its funds;
- (g) Incur debt in furtherance of its mission; and
- 8 (h) Lend its funds, property, credit, or services for corporate 9 purposes.
- 10 (2) A community preservation and development authority has no 11 power of eminent domain nor any power to levy taxes or special 12 assessments.
- 13 (3) A community preservation and development authority that 14 accepts public funds under subsection (1)(a) of this section:
- 15 (a) Is subject in all respects to Article VIII, section 5 or 7, 16 as appropriate, of the state Constitution, and to RCW 42.17A.550 (as 17 recodified by this act); and
- 18 (b) May not use the funds to support or oppose a candidate, 19 ballot proposition, political party, or political committee.
- 20 **Sec. 527.** RCW 43.384.060 and 2018 c 275 s 7 are each amended to 21 read as follows:
 - The board may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the authority and spend gift, grants, or endowments or income from public or private sources according to their terms, unless the receipt of gifts, grants, or endowments violates RCW 42.17A.560 (as recodified by this act).
- 29 **Sec. 528.** RCW 44.05.020 and 2011 c 60 s 41 are each amended to 30 read as follows:
- The definitions set forth in this section apply throughout this chapter, unless the context requires otherwise.
- 33 (1) "Chief election officer" means the secretary of state.
- 34 (2) "Federal census" means the decennial census required by 35 federal law to be prepared by the United States bureau of the census 36 in each year ending in zero.

p. 158 SSB 5857

- 1 (3) "Lobbyist" means an individual required to register with the 2 Washington public disclosure commission pursuant to RCW 42.17A.600 3 (as recodified by this act).
- 4 (4) "Plan" means a plan for legislative and congressional 5 redistricting mandated by Article II, section 43 of the state 6 Constitution.
- 7 **Sec. 529.** RCW 44.05.080 and 2018 c 301 s 10 are each amended to 8 read as follows:
- 9 In addition to other duties prescribed by law, the commission 10 shall:

12

13

1415

16

17

1819

20

21

22

2324

25

2627

28

2930

31

32

33

34

- (1) Adopt rules pursuant to the Administrative Procedure Act, chapter 34.05 RCW, to carry out the provisions of Article II, section 43 of the state Constitution and of this chapter, which rules shall provide that three voting members of the commission constitute a quorum to do business, and that the votes of three of the voting members are required for any official action of the commission;
- (2) Act as the legislature's recipient of the final redistricting data and maps from the United States Bureau of the Census;
- (3) Comply with requirements to disclose and preserve public records as specified in chapters 40.14 and 42.56 RCW;
- (4) Hold open meetings pursuant to the open public meetings act, chapter 42.30 RCW;
 - (5) Prepare and disclose its minutes pursuant to RCW 42.30.035;
 - (6) Be subject to the provisions of RCW 42.17A.700 (as recodified by this act);
 - (7) Prepare and publish a report with the plan; the report will be made available to the public at the time the plan is published. The report will include but will not be limited to: (a) The population and percentage deviation from the average district population for every district; (b) an explanation of the criteria used in developing the plan with a justification of any deviation in a district from the average district population; (c) a map of all the districts; and (d) the estimated cost incurred by the counties for adjusting precinct boundaries;
- 35 (8) Adopt a districting plan for a noncharter county with a population of ((four hundred thousand)) 400,000 or more, pursuant to 37 RCW 36.32.054.

p. 159 SSB 5857

- 1 **Sec. 530.** RCW 53.57.060 and 2015 c 35 s 7 are each amended to read as follows:
- A port development authority created under this chapter must comply with applicable laws including, but not limited to, the following:
- 6 (1) Requirements concerning local government audits by the state 7 auditor and applicable accounting requirements set forth in chapter 8 43.09 RCW;
 - (2) The public records act, chapter 42.56 RCW;

12

1920

21

22

2324

25

26

27

28

2930

31

32

3334

35

3637

38

39

- 10 (3) Prohibitions on using facilities for campaign purposes under 11 RCW 42.17A.555 (as recodified by this act);
 - (4) The open public meetings act, chapter 42.30 RCW;
- 13 (5) The code of ethics for municipal officers under chapter 42.23 14 RCW; and
- 15 (6) Local government whistleblower protection laws set forth in chapter 42.41 RCW.
- 17 **Sec. 531.** RCW 68.52.220 and 2020 c 83 s 6 are each amended to 18 read as follows:
 - (1) The affairs of the cemetery district must be managed by a board of cemetery district commissioners composed of three members. The board may provide, by resolution passed by the commissioners, for the payment of compensation to each of its commissioners at a rate of up to ((ninety dollars)) \$90 for each day or portion of a day spent in actual attendance at official meetings of the district commission, or in performance of other official services or duties on behalf of the district. However, the compensation for each commissioner must not exceed ((eight thousand six hundred forty dollars)) \$8,640 per year.
 - (2) Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the clerk of the board. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver must specify the month or period of months for which it is made. The board must fix the compensation to be paid the secretary and other employees of the district. Cemetery district commissioners and candidates for cemetery district commissioner are exempt from the requirements of ((chapter 42.17A)) Title 29B RCW.

p. 160 SSB 5857

The initial cemetery district commissioners must assume office immediately upon their election and qualification. Staggering of terms of office must be accomplished as follows: (a) The person elected receiving the greatest number of votes is elected to a sixyear term of office if the election is held in an odd-numbered year or a five-year term of office if the election is held in an evennumbered year; (b) the person who is elected receiving the next greatest number of votes is elected to a four-year term of office if the election is held in an odd-numbered year or a three-year term of office if the election is held in an even-numbered year; and (c) the other person who is elected is elected to a two-year term of office if the election is held in an odd-numbered year or a one-year term of office if the election is held in an even-numbered year. The initial commissioners must assume office immediately after they are elected and qualified but their terms of office must be calculated from the first day of January after the election.

1

2

3

4

5

7

8

9

10 11

12

13

14

1516

17

1819

2021

22

23

2425

26

27

28

29

30 31

32

33

34

35

36

37

3839

40

- (4) Thereafter, commissioners are elected to six-year terms of office. Commissioners must serve until their successors are elected and qualified and assume office as provided in RCW 29A.60.280.
- (5) The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning January 1, 2024, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items must be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.
- (6) A person holding office as commissioner for two or more special purpose districts may receive only that per diem compensation authorized for one of his or her commissioner positions as compensation for attending an official meeting or conducting official services or duties while representing more than one of his or her

p. 161 SSB 5857

- 1 districts. However, such commissioner may receive additional per diem
- 2 compensation if approved by resolution of all boards of the affected
- 3 commissions.

7

8

9

1011

15

16

17

18

21

27

28

29

30

3334

35

3637

38

- 4 **Sec. 532.** RCW 70A.02.120 and 2021 c 314 s 21 are each amended to read as follows:
 - (1) Nothing in chapter 314, Laws of 2021 prevents state agencies that are not covered agencies from adopting environmental justice policies and processes consistent with chapter 314, Laws of 2021.
 - (2) The head of a covered agency may, on a case-by-case basis, exempt a significant agency action or decision process from the requirements of RCW 70A.02.060 and 70A.02.080 upon determining that:
- 12 (a) Any delay in the significant agency action poses a 13 potentially significant threat to human health or the environment, or 14 is likely to cause serious harm to the public interest;
 - (b) An assessment would delay a significant agency decision concerning the assessment, collection, or administration of any tax, tax program, debt, revenue, receipt, a regulated entity's financial filings, or insurance rate or form filing;
- 19 (c) The requirements of RCW 70A.02.060 and 70A.02.080 are in conflict with:
 - (i) Federal law or federal program requirements;
- (ii) The requirements for eligibility of employers in this state for federal unemployment tax credits; or
- (iii) Constitutional limitations or fiduciary obligations, including those applicable to the management of state lands and state forestlands as defined in RCW 79.02.010.
 - (3) A covered agency may not, for the purposes of implementing any of its responsibilities under this chapter, contract with an entity that employs a lobbyist registered under RCW 42.17A.600 (as recodified by this act) that is lobbying on behalf of that entity.
- 31 **Sec. 533.** RCW 79A.25.830 and 2011 c 60 s 48 are each amended to read as follows:

The recreation and conservation funding board or office may receive gifts, grants, or endowments from public and private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of RCW 79A.25.800 through 79A.25.830 and spend gifts, grants, or endowments or income from the public or private sources according to their terms, unless the receipt of the

p. 162 SSB 5857

- gifts, grants, or endowments violates RCW 42.17A.560 (as recodified by this act).
- 3 **Sec. 534.** RCW 82.04.759 and 2023 c 286 s 2 are each amended to 4 read as follows:

67

13

1415

16

17

24

25

2627

28

2930

33

3435

3637

38

- (1) This chapter does not apply to amounts received by any person for engaging in any of the following activities:
 - (a) Printing a newspaper, publishing a newspaper, or both; or
- 8 (b) Publishing eligible digital content by a person who reported 9 under the printing and publishing tax classification for the 10 reporting period that covers January 1, 2008, for engaging in 11 printing and/or publishing a newspaper, as defined on January 1, 2008.
 - (2) The exemption under this section must be reduced by an amount equal to the value of any expenditure made by the person during the tax reporting period. For purposes of this subsection, "expenditure" has the meaning provided in ((RCW-42.17A.005)) section 223 of this act.
- (3) If a person who is primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, charges a single, nonvariable amount to advertise in, subscribe to, or access content in both a publication identified in subsection (1) of this section and another type of publication, the entire amount is exempt under this section.
 - (4) For purposes of this section, "eligible digital content" means a publication that:
 - (a) Is published at regularly stated intervals of at least once per month;
 - (b) Features written content, the largest category of which, as determined by word count, contains material that identifies the author or the original source of the material; and
- 31 (c) Is made available to readers exclusively in an electronic 32 format.
 - (5) The exemption under this section applies only to persons primarily engaged in printing a newspaper, publishing a newspaper, or publishing eligible digital content, or any combination of these activities, unless these business activities were previously engaged in by an affiliated person and were not the affiliated person's primary business activity.

p. 163 SSB 5857

- 1 (6) For purposes of this section, the following definitions 2 apply:
- 3 (a) "Affiliated" has the same meaning as provided in RCW 82.04.299.
- 5 (b) "Primarily" means, with respect to a business activity or 6 combination of business activities of a taxpayer, more the 50 percent 7 of the taxpayer's gross worldwide income from all business 8 activities, whether subject to tax under this chapter or not, comes 9 from such activity or activities.
- NEW SECTION. Sec. 535. Section 534 of this act expires January 1, 2034.
- 12 <u>NEW SECTION.</u> **Sec. 536.** This act takes effect January 1, 2026.

--- END ---

p. 164 SSB 5857