SUBSTITUTE HOUSE BILL 1782

State of Washington 69th Legislature 2025 Regular Session

By House State Government & Tribal Relations (originally sponsored by Representatives Marshall, Barkis, Dufault, and Pollet)

READ FIRST TIME 02/21/25.

- AN ACT Relating to amending the timeline for reporting campaign contributions and expenditures; amending RCW 42.17A.235, 29B.25.090,
- 3 42.17A.255, and 29B.25.120; providing an effective date; and
- 4 providing an expiration date.

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- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 42.17A.235 and 2019 c 428 s 20 are each amended to read as follows:
 - (1) (a) In addition to the information required under RCW 42.17A.205 and 42.17A.210, 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.
- 13 (b) In addition to the information required under RCW 42.17A.207 14 and 42.17A.210, on the day an incidental committee files a statement 15 of organization with the commission, each incidental committee must 16 file with the commission a report of any election campaign 17 expenditures under RCW 42.17A.240(($\frac{(6)}{(6)}$)) $\frac{(7)}{(7)}$, as well as the source of the ten largest cumulative payments of ten thousand dollars or 18 19 greater it received in the current calendar year from a single 20 person, including any persons tied as the tenth largest source of 21 payments it received, if any.

p. 1 SHB 1782

(2) Each treasurer of a candidate or political committee, or an incidental committee, required to file a statement of organization under this chapter, shall file with the commission a report, for each election in which a candidate, political committee, or incidental committee is participating, containing the information required by RCW 42.17A.240 at the following intervals:

- (a) On the ((twenty-first)) 20th day and the ((seventh)) sixth day immediately preceding the date on which the election is held; and
 - (b) On the tenth 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 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 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 included in its last report; or
- (ii) Made any election campaign expenditure reportable under RCW $42.17A.240((\frac{(6)}{(6)}))$ (7) 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)) 20 days before the election shall report all contributions received and expenditures made as of the end of ((one)) two business days before the date of the report. The report filed ((seven)) six days before the election shall report all contributions received and expenditures made as of the end of ((one)) two business days before the date of the report. Reports filed on the tenth 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

p. 2 SHB 1782

general election, and ending on the date of that special or general election, each Monday the treasurer for a candidate or a political 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.

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(6)(a) The treasurer for a candidate or a political committee 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 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, 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 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 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 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

p. 3 SHB 1782

telephone number of the person wishing to inspect the books of 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.
- 17 (9) All reports filed pursuant to subsection (1) or (2) of this 18 section shall be certified as correct by the candidate and the 19 treasurer.
 - (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 days of filing an initial report if:
 - (a) The report is accurately amended;

- 24 (b) The amended report is filed more than thirty days before an 25 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 days after it 40 files its notice to dissolve, only if:

p. 4 SHB 1782

(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 after filing such notice;

- (ii) No complaint or court action under this chapter is pending against the political committee; and
- (iii) All penalties assessed by the commission or court order have been paid by the political committee.
- (c) The political committee must continue to report regularly as required under this chapter 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. 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.
- 18 (12) The commission must adopt rules for the dissolution of 19 incidental committees.
- **Sec. 2.** RCW 29B.25.090 and 2024 c 164 s 426 are each amended to 21 read as follows:
 - (1) (a) In addition to the information required under RCW 29B.25.020 and 29B.25.040, 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 29B.25.030 and 29B.25.040, 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 29B.25.100(7), as well as the source of the 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 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 title, shall file with the commission a report, for each election in which a candidate, political committee, or incidental

p. 5 SHB 1782

committee is participating, containing the information required by RCW 29B.25.100 at the following intervals:

- (a) On the ((21st)) 20th day and the ((seventh)) sixth day immediately preceding the date on which the election is held; and
 - (b) On the 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 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 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 29B.25.100(2)(d) as included in its last report; or
- (ii) Made any election campaign expenditure reportable under RCW 29B.25.100(7) since its last report, and the total election campaign expenditures made since the last report exceed two hundred dollars.
- (4) The report filed ((21)) $\underline{20}$ days before the election shall report all contributions received and expenditures made as of the end of ((ene)) \underline{two} business days before the date of the report. The report filed ((ene)) \underline{six} days before the election shall report all contributions received and expenditures made as of the end of ((ene)) \underline{two} business days before the date of the report. Reports filed on the 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 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

p. 6 SHB 1782

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.

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- (6)(a) The treasurer for a candidate or a political committee maintain books of account accurately reflecting contributions and expenditures on a current basis within five business days of receipt or expenditure. During the 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 29B.25.020, 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 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 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 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 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

p. 7 SHB 1782

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.
- (9) All reports filed pursuant to subsection (1) or (2) of this section shall be certified as correct by the candidate and the 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 21 days of filing an initial report if:
 - (a) The report is accurately amended;

- (b) The amended report is filed more than 30 days 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.
- (b) Any political committee may dissolve 60 days after it files its notice to dissolve, only if:
- (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 title after filing such notice;

p. 8 SHB 1782

1 (ii) No complaint or court action under this title is pending 2 against the political committee; and

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- (iii) All penalties assessed by the commission or court order have been paid by the political committee.
- (c) The political committee must continue to report regularly as required under this 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 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.
- 14 (12) The commission must adopt rules for the dissolution of incidental committees.
- 16 **Sec. 3.** RCW 42.17A.255 and 2020 c 152 s 5 are each amended to read as follows:
 - (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, 42.17A.235, and 42.17A.240. "Independent expenditure" does include: An internal political communication primarily limited to the contributors to a political party organization or political action committee, or 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 fifty dollars 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.
 - (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

p. 9 SHB 1782

- 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.
- 5 (3) At the following intervals each person who is required to 6 file an initial report pursuant to subsection (2) of this section 7 shall file with the commission a further report of the independent 8 expenditures made since the date of the last report:
 - (a) On the ((twenty-first)) 20th day and the ((seventh)) sixth day preceding the date on which the election is held; and

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

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.

- (4) All reports filed pursuant to this section shall be certified as correct by the reporting person.
 - (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)) two business ((day)) days 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;
- 39 (c) The total sum of all independent expenditures made during the 40 campaign to date;

p. 10 SHB 1782

- 1 (d) A statement from the person making an independent expenditure 2 that:
- 3 (i) The expenditure is not financed in any part by a foreign 4 national; and
 - (ii) Foreign nationals are not involved in making decisions regarding the expenditure in any way; and

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- 7 (e) Such other information as shall be required by the commission 8 by rule in conformance with the policies and purposes of this 9 chapter.
- 10 **Sec. 4.** RCW 29B.25.120 and 2024 c 164 s 429 are each amended to 11 read as follows:
 - (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 29B.25.070, 29B.25.090, and 29B.25.100. "Independent expenditure" does include: An internal political communication primarily limited to the contributors to a political party organization or political action committee, or 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 fifty dollars 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.
 - (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.
- 38 (3) At the following intervals each person who is required to 39 file an initial report pursuant to subsection (2) of this section

p. 11 SHB 1782

shall file with the commission a further report of the independent expenditures made since the date of the last report:

- (a) On the ((21st)) 20th day and the ((seventh)) sixth day preceding the date on which the election is held; and
 - (b) On the 10th day of the first month after the election; and
- (c) On the 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.

- (4) All reports filed pursuant to this section shall be certified as correct by the reporting person.
- (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)) two business ((day)) days before the date the report is due:
- 23 (a) The name, address, and electronic contact information of the 24 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;
 - (c) The total sum of all independent expenditures made during the campaign to date;
- 35 (d) A statement from the person making an independent expenditure 36 that:
- 37 (i) The expenditure is not financed in any part by a foreign 38 national; and
- 39 (ii) Foreign nationals are not involved in making decisions 40 regarding the expenditure in any way; and

p. 12 SHB 1782

- 1 (e) Such other information as shall be required by the commission 2 by rule in conformance with the policies and purposes of this title.
- 3 <u>NEW SECTION.</u> **Sec. 5.** Sections 1 and 3 of this act expire 4 January 1, 2026.
- 5 <u>NEW SECTION.</u> **Sec. 6.** Sections 2 and 4 of this act take effect 6 January 1, 2026.

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p. 13 SHB 1782