

1 to exercise a disproportionate or controlling influence on the election
2 of candidates.

3 (2) Rapidly increasing political campaign costs have led many
4 candidates to raise larger percentages of money from organizational
5 contributors with a specific financial stake in matters before state
6 government. This has caused the public perception that decisions of
7 elected officials are being improperly influenced by monetary
8 contributions. This perception undermines the credibility and
9 integrity of the governmental process.

10 (3) Candidates are raising less money in small contributions from
11 individuals and more money in organizational contributions. This has
12 created the public perception that small contributions have an
13 insignificant role to play in the political campaigns.

14 NEW SECTION. **Sec. 2.** INTENT. By limiting campaign contributions,
15 the legislature intends to:

16 (1) Ensure that individuals and interest groups have fair and equal
17 opportunity to influence elective and governmental processes;

18 (2) Reduce the influence of large organizational contributors; and

19 (3) Help restore public trust in governmental institutions and the
20 electoral process.

21 PART II

22 DEFINITIONS

23 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions under RCW
24 42.17.020 apply to sections 4 through 20 of this act except as modified
25 by this section. Unless the context clearly requires otherwise, the
26 definitions in this section apply throughout sections 4 through 20 of
27 this act.

1 (1) "Authorized committee" means the political committee authorized
2 by a candidate, or by the state official against whom recall charges
3 have been filed, to accept contributions or make expenditures on behalf
4 of the candidate or state official.

5 (2) "Bona fide political party" means an organization which has
6 filed a valid certificate of nomination with the secretary of state
7 under chapter 29.24 RCW or the governing body of the state organization
8 of a major political party, as defined in RCW 29.01.090, which is the
9 body authorized by the charter or bylaws of the party to exercise
10 authority on behalf of the state party.

11 (3) "Candidate" means an individual seeking nomination for election
12 or seeking election to a state office. An individual shall be deemed
13 to be seeking nomination for election or seeking election when the
14 individual first:

15 (a) Announces publicly or files for the office;

16 (b) Purchases commercial advertising space or broadcast time to
17 promote his or her candidacy;

18 (c) Receives contributions or makes expenditures for facilities
19 with intent to promote his or her candidacy for the office; or

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

22 (4) "Caucus of the state legislature" means the caucus of the
23 members of a major political party in the state house of
24 representatives or in the state senate.

25 (5)(a) "Contribution" includes a loan, gift, deposit, subscription,
26 forgiveness of indebtedness, donation, advance, pledge, payment,
27 transfer of funds between political committees, or transfer of anything
28 of value, including personal and professional services for less than
29 full consideration.

1 (b) Subject to further definition by the commission, "contribution"
2 shall not include the following:

3 (i) Interest on moneys deposited in a political committee's
4 account;

5 (ii) Ordinary home hospitality;

6 (iii) A contribution received by a candidate or political committee
7 that is returned to the contributor within five business days of the
8 date on which it is received by the candidate or political committee;

9 (iv) An expenditure or contribution earmarked for voter
10 registration, for absentee ballot information, for precinct caucuses,
11 for get-out-the-vote campaigns, for precinct judges or inspectors, for
12 sample ballots, or for ballot counting, all without promotion of or
13 political advertising for individual candidates;

14 (v) Any news, feature, commentary, or editorial in a regularly
15 scheduled news medium that is of primary interest to the general
16 public, that is in a news medium controlled by a person whose primary
17 business is that news medium, and that is not controlled by any
18 candidate or political committee;

19 (vi) An expenditure by a political committee for its own internal
20 organization or fund raising without direct association with individual
21 candidates;

22 (vii) An internal political communication primarily limited to the
23 contributors to a political party organization or political action
24 committee, or the officers, management staff, and stockholders of a
25 corporation or similar enterprise, or the members of a labor
26 organization or other membership organization; or

27 (viii) The rendering of personal services of the sort commonly
28 performed by volunteer campaign workers, or incidental expenses
29 personally incurred by volunteer campaign workers not in excess of
30 fifty dollars personally paid for by the worker. "Volunteer services,"

1 for the purposes of this section, means services or labor for which the
2 individual is not compensated by any person and that are performed
3 outside the individual's normal working hours.

4 (c) Contributions other than money or its equivalent shall be
5 deemed to have a monetary value equivalent to the fair market value of
6 the contribution.

7 (d) Sums paid for tickets to fund-raising events such as dinners
8 and parties are contributions, except for the actual cost of the
9 consumables furnished at the event.

10 (e) An expenditure made by a person in cooperation, consultation,
11 or concert with, or at the request or suggestion of, a candidate, a
12 political committee, or their agents, is considered to be a
13 contribution to such candidate or political committee.

14 (f) The financing by a person of the dissemination, distribution,
15 or republication, in whole or in part, of broadcast, written, graphic,
16 or other form of political advertising prepared by a candidate, a
17 political committee, or its authorized agent, is considered to be a
18 contribution to the candidate or political committee.

19 (6) "Election cycle" means the period beginning on the first day of
20 December following the date of the last previous general election for
21 the office which the candidate seeks and ending on November thirtieth
22 following the next election for the office. In the case of a special
23 election to fill a vacancy in an office, "election cycle" means the
24 period beginning on the day the vacancy occurs and ending on November
25 thirtieth following the special election.

26 (7) "General election" means the election which results in the
27 election of a person to a state office. It does not include a primary.

28 (8) "Immediate family" means a candidate's spouse, and any child,
29 stepchild, grandchild, parent, stepparent, grandparent, brother, half-
30 brother, sister, or half-sister of the candidate and the spouse of any

1 such person and any child, stepchild, grandchild, parent, stepparent,
2 grandparent, brother, half-brother, sister, or half-sister of the
3 candidate's spouse and the spouse of any such person.

4 (9) "Independent expenditure" means an "expenditure" as defined in
5 RCW 42.17.020 which has each of the following elements:

6 (a) It is made in support of or in opposition to a candidate for
7 office by a person who is not (i) a candidate for that office, (ii) an
8 authorized committee of that candidate for that office, (iii) a person
9 who has received the candidate's encouragement or approval to make the
10 expenditure, if the expenditure pays in whole or in part for any
11 political advertising supporting that candidate or promoting the defeat
12 of any other candidate or candidates for that office, or (iv) a person
13 with whom the candidate has collaborated for the purpose of making the
14 expenditure, if the expenditure pays in whole or in part for any
15 political advertising supporting that candidate or promoting the defeat
16 of any other candidate or candidates for that office;

17 (b) The expenditure pays in whole or in part for any political
18 advertising which either specifically names the candidate supported or
19 opposed, or clearly and beyond any doubt identifies such candidate
20 without using the candidate's name; and

21 (c) The expenditure, alone or in conjunction with another
22 expenditure or other expenditures of the same person in support of or
23 opposition to that candidate, has a value of five hundred dollars or
24 more. A series of expenditures, each of which is under five hundred
25 dollars, shall constitute one independent expenditure if their
26 cumulative value is five hundred dollars or more.

27 (10)(a) "Intermediary" means an individual who transmits a
28 contribution to a candidate or committee from another person unless the
29 contribution is from the individual's employer, immediate family, or an
30 association to which the individual belongs.

1 (b) A treasurer or a candidate is not an intermediary for purpose
2 of the committee that the treasurer or candidate serves.

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

6 (d) A volunteer hosting a fund-raising event at the individual's
7 home is not an intermediary for purposes of that event.

8 (11) "Person" includes:

9 (a) An individual;

10 (b) A partnership, limited partnership, public or private
11 corporation, or joint venture;

12 (c) A nonprofit corporation, organization, or association,
13 including but not limited to, any national, state, or local labor union
14 or collective bargaining organization and any national, state, or local
15 trade or professional association;

16 (d) A federal, state, or local governmental entity or agency,
17 however constituted;

18 (e) A candidate, committee, political committee, bona fide
19 political party, or executive committee thereof; and

20 (f) Any other organization or group of persons, however organized.

21 (12) "Primary" means the procedure for nominating a candidate to
22 state office under chapter 29.18 or 29.21 RCW or any other primary for
23 an election which uses, in large measure, the procedures established in
24 chapter 29.18 or 29.21 RCW.

25 (13) "Recall campaign" means the period of time beginning on the
26 date of the filing of recall charges pursuant to RCW 29.82.015 and
27 ending thirty days after the recall election.

28 (14) "State legislative office" means the office of a member of the
29 state house of representatives and the office of a member of the state
30 senate.

1 (15) "State office" means state legislative office or the office of
2 governor, lieutenant governor, secretary of state, commissioner of
3 public lands, insurance commissioner, superintendent of public
4 instruction, state auditor, or state treasurer.

5 (16) "State official" means a person who holds a state office.

6 PART III

7 CONTRIBUTIONS

8 NEW SECTION. **Sec. 4.** CAMPAIGN CONTRIBUTION LIMITS. (1) No
9 person, other than a bona fide political party or a caucus of the state
10 legislature, may make contributions to any candidate during an election
11 cycle which in the aggregate exceed five hundred dollars. No candidate
12 and no authorized committee of a candidate may accept contributions
13 from any person or entity which exceed the contribution limitation
14 provided by this subsection.

15 (2) No person, other than a bona fide political party or a caucus
16 of the state legislature, may make contributions to any state official
17 against whom recall charges have been filed, or to any political
18 committee having the expectation of making expenditures in support of
19 the recall of any such state official, during a recall campaign which
20 in the aggregate exceed five hundred dollars. No state official
21 against whom recall charges have been filed, no authorized committee of
22 such an official, and no political committee having the expectation of
23 making expenditures in support of the recall of any state official, may
24 accept contributions from a person which exceed the contribution
25 limitation provided by this subsection.

26 (3) Notwithstanding subsection (1) of this section, no bona fide
27 political party or caucus of the state legislature may make
28 contributions to any candidate during an election cycle which in the

1 aggregate exceeds fifty cents multiplied times the number of eligible
2 registered voters in the jurisdiction from which the candidate is
3 elected. No candidate and no authorized committee of a candidate may
4 accept contributions from a bona fide political party or from a caucus
5 of the state legislature which exceed the contribution limitation
6 provided by this subsection.

7 (4) Notwithstanding subsection (2) of this section, no bona fide
8 political party or caucus of the state legislature may make
9 contributions to any state official against whom recall charges have
10 been filed, or to any political committee having the expectation of
11 making expenditures in support of the recall of any such state
12 official, during a recall campaign which in the aggregate exceeds fifty
13 cents multiplied times the number of eligible registered voters in the
14 jurisdiction entitled to recall such state official. No state official
15 against whom recall charges have been filed, no authorized committee of
16 such an official, and no political committee having the expectation of
17 making expenditures in support of the recall of any state official may
18 accept contributions from a bona fide political party or from a caucus
19 of the state legislature which exceed the contribution limitation
20 provided by this subsection.

21 (5) Notwithstanding subsections (1) through (4) of this section, no
22 person other than an individual, bona fide political party, or caucus
23 of the state legislature may make contributions reportable under this
24 chapter to any candidate, to any state official against whom recall
25 charges have been filed, or to any political committee having the
26 expectation of making expenditures in support of the recall of any such
27 official. No entity prohibited by this subsection from making
28 contributions to candidates may make contributions to a caucus of the
29 state legislature that in the aggregate exceeds five hundred dollars in
30 a calendar year or to a bona fide political party that in the aggregate

1 exceeds one thousand dollars in a calendar year. This subsection does
2 not apply to loans made in the ordinary course of business.

3 (6) For the purposes of sections 4 through 20 of this act, a
4 contribution to the authorized political committee of a candidate, or
5 of a state official against whom recall charges have been filed, shall
6 be considered to be a contribution to the candidate or state official.

7 (7) Any contribution received within the twelve-month period
8 following a general election for a state office or for a recall
9 election concerning a state office shall be considered to be a
10 contribution during the election cycle ending with that election or
11 during that recall campaign if the contribution is used to pay any debt
12 or obligation incurred to influence the outcome of that election or the
13 primary conducted for that election or of that recall campaign.

14 (8)(a) The contributions allowed by subsection (2) of this section
15 are in addition to those allowed by subsection (1) of this section, and
16 the contributions allowed by subsection (4) of this section are in
17 addition to those allowed by subsection (3) of this section.

18 (b) The provisions of sections 4 through 20 of this act apply to a
19 special election conducted to fill a vacancy in a state office.
20 However, the contributions made to a candidate or received by a
21 candidate for a primary or special election conducted to fill such a
22 vacancy shall not be counted toward any of the limitations which apply
23 to the candidate or to contributions made to the candidate for any
24 other primary or election.

25 NEW SECTION. **Sec. 5.** ATTRIBUTION AND AGGREGATION OF FAMILY
26 CONTRIBUTIONS. (1) Contributions by a husband and wife are considered
27 separate contributions.

28 (2) Contributions by unemancipated children under eighteen years of
29 age are considered contributions by their parents and attributed

1 proportionately to each parent. Fifty percent of the contributions are
2 attributed to each parent or, in the case of a single custodial parent,
3 the total amount is attributed to the parent.

4 NEW SECTION. **Sec. 6.** ATTRIBUTION OF CONTRIBUTIONS BY CONTROLLED
5 ENTITIES. (1) For purposes of this chapter, a contribution by a person
6 or entity controlled by any other person or entity is a contribution by
7 the controlling person or entity. A contribution to a person or entity
8 controlled by another person or entity is a contribution to the
9 controlling person or entity. This subsection does not apply to the
10 relationship between an individual and the spouse of the individual or
11 to the relationship between a bona fide political party and a district
12 or county organization of that party or a caucus of the state
13 legislature of the members of that party.

14 (2) Contributions governed by subsection (1) of this section
15 include but are not limited to:

16 (a) A contribution by a subsidiary, branch, division, department,
17 or local unit of an association, which is considered to have been made
18 by the association; and

19 (b) A contribution by a political committee controlled by a person
20 or entity, which is considered to be a contribution by that person or
21 entity.

22 (3) In determining whether a person or entity is controlled by any
23 other person or entity for the purposes of subsection (1) of this
24 section, the following shall, if applicable, be considered:

25 (a) Ownership of a controlling interest in voting shares or
26 securities;

27 (b) Provisions of bylaws, articles of incorporation, charters,
28 constitutions, or other documents by which one person or entity has the
29 authority, power, or ability to direct another;

1 (c) The authority, power, or ability to hire, appoint, discipline,
2 discharge, demote, remove, or influence the decision of the officers or
3 members of an entity;

4 (d) Similar patterns of contributions; and

5 (e) The extent of the transfer of funds between the person or
6 entities.

7 (4) A candidate committee and a committee other than a candidate
8 committee are treated as a single committee if the committees both have
9 the candidate or a member of the candidate's immediate family as an
10 officer.

11 NEW SECTION. **Sec. 7.** ATTRIBUTION OF CONTRIBUTIONS. All
12 contributions made by a person or entity, either directly or
13 indirectly, to a candidate, to a state official against whom recall
14 charges have been filed, or to a political committee, are considered to
15 be contributions from that person or entity to the candidate, state
16 official, or political committee, as are contributions that are in any
17 way earmarked or otherwise directed through an intermediary or conduit
18 to the candidate, state official, or political committee. For the
19 purposes of this section, "earmarked" means a designation, instruction,
20 or encumbrance, whether direct or indirect, expressed or implied, or
21 oral or written, that is intended to result in or that does result in
22 all or any part of a contribution being made to a certain candidate or
23 state official. If a conduit or intermediary exercises any direction
24 or control over the choice of the recipient candidate or state
25 official, the contribution is considered to be by both the original
26 contributor and the conduit or intermediary.

27 NEW SECTION. **Sec. 8.** LIMITATIONS ON EMPLOYERS OR LABOR
28 ORGANIZATIONS. (1) No employer or labor organization may increase the

1 salary of an officer or employee, or give an emolument to an officer,
2 employee, or other person or entity, with the intention that the
3 increase in salary, or the emolument, or a part of it, be contributed
4 or spent to support or oppose any candidate, state official against
5 whom recall charges have been filed, political party, or political
6 committee.

7 (2) No employer or labor organization may discriminate against an
8 officer or employee in the terms or conditions of employment: For (a)
9 the failure to contribute to, (b) the failure in any way to support or
10 oppose, or (c) in any way supporting or opposing a candidate, ballot
11 proposition, political party, or political committee.

12 (3) No employer or other person or entity responsible for the
13 disbursement of funds in payment of wages or salaries may withhold or
14 divert any portion of an employee's wages or salaries for contributions
15 to political committees except upon the written request of the
16 employee. The request must be made on a form prescribed by the
17 commission informing the employee of the prohibition against employer
18 and labor organization discrimination described in subsection (2) of
19 this section. The request shall be valid for no more than twelve
20 months from the date it is made by the employee.

21 (4) Each person or entity who withholds contributions under
22 subsection (3) of this section shall maintain open for public
23 inspection for a period of no less than three years, during normal
24 business hours, documents and books of accounts that shall include a
25 copy of each employee's request, the amounts and dates funds were
26 actually withheld, and the amounts and dates funds were transferred to
27 a political committee. Copies of such information shall be delivered
28 to the commission upon request.

1 NEW SECTION. **Sec. 9.** CHANGING MONETARY LIMITS. At the beginning
2 of each even-numbered calendar year, the commission shall increase or
3 decrease all dollar amounts in this chapter based on changes in
4 economic conditions as reflected in the inflationary index used by the
5 commission under RCW 42.17.370. The new dollar amounts established by
6 the commission under this section shall be rounded off by the
7 commission to amounts as judged most convenient for public
8 understanding and so as to be within ten percent of the target amount
9 equal to the base amount provided in this chapter multiplied by the
10 increase in the inflationary index since the effective date of this
11 act.

12 NEW SECTION. **Sec. 10.** CONTRIBUTIONS FROM BEFORE EFFECTIVE DATE OF
13 ACT. Contributions made and received before the effective date of this
14 act are not considered to be contributions under the provisions of
15 sections 4 through 20 of this act.

16 NEW SECTION. **Sec. 11.** TIME LIMIT FOR STATE OFFICIALS TO SOLICIT
17 OR ACCEPT CONTRIBUTIONS. During the period beginning on the fifteenth
18 day before the date a regular legislative session convenes and
19 continuing thirty days past the date of final adjournment, and during
20 the period beginning on the date a special legislative session convenes
21 and continuing through the date that session adjourns, no state
22 official or any person employed by a state official or state legislator
23 may solicit or accept contributions to a public office fund, to any
24 candidate, or authorized committee, or to retire any campaign debt.

25 NEW SECTION. **Sec. 12.** RESTRICTION ON LOANS. (1) A loan is
26 considered a contribution from the maker and the guarantor of the loan
27 and is subject to the contribution limitations of this chapter.

1 (2) A loan to a candidate or the candidate committee must be by
2 written agreement.

3 (3) The proceeds of a loan made to a candidate:

4 (a) By a commercial lending institution;

5 (b) Made in the regular course of business;

6 (c) On the same terms ordinarily available to members of the
7 public; and

8 (d) Which is secured or guaranteed;

9 are not subject to the contribution limits of this chapter.

10 NEW SECTION. **Sec. 13.** CONTRIBUTIONS ON BEHALF OF ANOTHER. (1) A
11 person, other than individual, may not be an intermediary or an agent
12 for a contribution.

13 (2) An individual may not make a contribution on behalf of another
14 person or entity, or while acting as the intermediary or agent of
15 another person or entity, without disclosing to the recipient of the
16 contribution both his or her full name, street address, occupation,
17 name of employer, if any, or place of business if self-employed, and
18 the same information for each contributor for whom the individual
19 serves as intermediary or agent.

20 NEW SECTION. **Sec. 14.** CERTAIN CONTRIBUTIONS REQUIRED TO BE BY
21 WRITTEN INSTRUMENT. (1) An individual may not make a contribution of
22 more than fifty dollars, other than an in-kind contribution, except by
23 written instrument containing the name of the donor and the name of the
24 payee.

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

1 NEW SECTION. **Sec. 15.** SOLICITATION OF CONTRIBUTIONS BY GOVERNMENT
2 EMPLOYEES. (1) No state official or state official's agent may
3 knowingly solicit, directly or indirectly, a contribution from an
4 employee in the state official's agency.

5 (2) No state official or state employee may provide an advantage or
6 disadvantage to an employee or applicant for employment in the
7 classified civil service concerning the applicant's or employee's:

8 (a) Employment;

9 (b) Conditions of employment; or

10 (c) Application for employment;

11 based on the employee or applicant's contribution or promise to
12 contribute, failure to make a contribution or contribute to a political
13 party or committee.

14 NEW SECTION. **Sec. 16.** AGENCY SHOP FEES AS CONTRIBUTIONS. A labor
15 organization may not use agency shop fees paid by an individual who is
16 not a member of the organization to make contributions or expenditures
17 to influence an election or to operate a political committee, unless
18 affirmatively authorized by the individual.

19 NEW SECTION. **Sec. 17.** SOLICITATION FOR ENDORSEMENT FEES. A
20 person or entity may not solicit from a candidate, committee, political
21 party, or other person or entity money or other property as a condition
22 or consideration for an endorsement, article, or other communication in
23 the news media promoting or opposing a candidate, committee, or
24 political party.

25 NEW SECTION. **Sec. 18.** REIMBURSEMENT FOR CONTRIBUTIONS. A person
26 or entity may not, directly or indirectly, reimburse another person or

1 entity for a contribution to a candidate, committee, or political
2 party.

3 NEW SECTION. **Sec. 19.** PROHIBITION ON USE OF CONTRIBUTIONS FOR A
4 DIFFERENT OFFICE. (1) Except as provided in subsection (2) of this
5 section, a candidate committee may not use or permit the use of
6 contributions solicited for or received by the candidate committee to
7 further the candidacy of the individual for an office other than the
8 office designated on the statement of organization. A contribution
9 solicited for or received on behalf of the candidate is considered
10 solicited or received for the candidacy for which the individual is
11 then a candidate if the contribution is solicited or received before
12 the general elections for which the candidate is a nominee or is
13 unopposed.

14 (2) With the written approval of the contributor, a candidate
15 committee may use or permit the use of contributions solicited for or
16 received by the candidate committee from that contributor to further
17 the candidacy of the individual for an office other than the office
18 designated on the statement of organization.

19 NEW SECTION. **Sec. 20.** OUT-OF-STATE CONTRIBUTIONS PROHIBITED.
20 Notwithstanding section 4 of this act, no person residing or domiciled
21 outside the state of Washington may contribute to a candidate or an
22 authorized committee required to report under this chapter. No
23 candidate or authorized committee may accept a contribution that is
24 prohibited by this section.

25 **Sec. 21.** RCW 42.17.095 and 1982 c 147 s 8 are each amended to read
26 as follows:

1 The surplus funds of a candidate, or of a political committee
2 supporting or opposing a candidate, may only be disposed of in any one
3 or more of the following ways:

4 (1) Return the surplus to a contributor in an amount not to exceed
5 that contributor's original contribution;

6 (2) Transfer the surplus to the candidate's personal account as
7 reimbursement for lost earnings incurred as a result of that
8 candidate's election campaign. Such lost earnings shall be verifiable
9 as unpaid salary or, when the candidate is not salaried, as an amount
10 not to exceed income received by the candidate for services rendered
11 during an appropriate, corresponding time period. All lost earnings
12 incurred shall be documented and a record thereof shall be maintained
13 by the candidate or the candidate's political committee. The committee
14 shall include a copy of such record when its expenditure for such
15 reimbursement is reported pursuant to RCW 42.17.090;

16 (3) Transfer the surplus to ~~((one or more candidates or to))~~ a
17 political ~~((committee or))~~ party;

18 (4) Donate the surplus to a charitable organization registered in
19 accordance with chapter 19.09 RCW;

20 (5) Transmit the surplus to the state treasurer for deposit in the
21 general fund; or

22 (6) Hold the surplus in the campaign depository or depositories
23 designated in accordance with RCW 42.17.050 for possible use in a
24 future election campaign ~~((, for political activity, for community
25 activity, or for nonreimbursed public office related expenses))~~ for the
26 same office last sought by the candidate and report any such
27 disposition in accordance with RCW 42.17.090: PROVIDED, That if the
28 candidate subsequently announces or publicly files for office,
29 information as appropriate is reported to the commission in accordance
30 with RCW 42.17.040 through 42.17.090. If a subsequent office is not

1 sought the surplus held shall be disposed of in accordance with the
2 requirements of this section.

3 (7) No candidate or authorized committee may transfer funds to any
4 other candidate or other political committee.

5 **Sec. 22.** RCW 42.17.105 and 1989 c 280 s 11 are each amended to
6 read as follows:

7 (1) Campaign treasurers shall prepare and deliver to the commission
8 a special report regarding any contribution which:

9 (a) Exceeds five hundred dollars;

10 (b) Is from a single (~~(person or entity)~~) bona fide political party
11 or caucus of the state legislature;

12 (c) Is received before a primary or general election; and

13 (d) Is received: (i) After the period covered by the last report
14 required by RCW 42.17.080 and 42.17.090 to be filed before that
15 primary; or (ii) within twenty-one days preceding that general
16 election.

17 ~~(2) ((Any political committee making a contribution which exceeds~~
18 ~~five hundred dollars shall also prepare and deliver to the commission~~
19 ~~the special report if the contribution is made before a primary or~~
20 ~~general election and: (a) After the period covered by the last report~~
21 ~~required by RCW 42.17.080 and 42.17.090 to be filed before that~~
22 ~~primary; or (b) within twenty-one days preceding that general election.~~

23 ~~(3))~~ Except as provided in subsection ~~((4))~~ (3) of this section,
24 the special report required by this section shall be delivered in
25 written form, including but not limited to mailgram, telegram, or
26 nightletter. The special report required by subsection (1) of this
27 section shall be delivered to the commission within forty-eight hours
28 of the time, or on the first working day after, the contribution is
29 received by the candidate or campaign treasurer. ~~((The special report~~

1 ~~required by subsection (2) of this section and RCW 42.17.175 shall be~~
2 ~~delivered to the commission, and the candidate or political committee~~
3 ~~to whom the contribution is made, within twenty four hours of the time,~~
4 ~~or on the first working day after, the contribution is made.~~

5 ~~(4))~~ (3) The special report may be transmitted orally by telephone
6 to the commission to satisfy the delivery period required by subsection
7 ~~((3))~~ (2) of this section if the written form of the report is also
8 mailed to the commission and postmarked within the delivery period
9 established in subsection ~~((3))~~ (2) of this section.

10 ~~((5))~~ (4) The special report shall include at least:

11 (a) The amount of the contribution;

12 (b) The date of receipt;

13 (c) The name and address of the donor;

14 (d) The name and address of the recipient; and

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

16 ~~((6))~~ (5) Contributions reported under this section shall also be
17 reported as required by other provisions of this chapter.

18 ~~((7))~~ (6) The commission shall publish daily a summary of the
19 special reports made under this section and RCW 42.17.175.

20 ~~((8))~~ (7) It is a violation of this chapter for ~~((any person to~~
21 ~~make, or for any candidate or political committee to accept from any~~
22 ~~one person, contributions reportable under RCW 42.17.090 in the~~
23 ~~aggregate exceeding fifty thousand dollars for any campaign for state-~~
24 ~~wide office or exceeding five thousand dollars for any other campaign~~
25 ~~subject to the provisions of this chapter within twenty one days of a~~
26 ~~general election. This subsection does not apply to contributions made~~
27 ~~by, or accepted from, a major Washington state political party as~~
28 ~~defined in RCW 29.01.090))~~ a bona fide political party to make, or for
29 a candidate for state-wide office to accept from a bona fide political
30 party, contributions reportable under RCW 42.17.090 in the aggregate

1 exceeding fifty thousand dollars within the twenty-one days preceding
2 a general election.

3 (8) It is a violation of this chapter for a bona fide political
4 party or caucus of the state legislature to make, or for any candidate
5 for the state legislature to accept from a bona fide political party or
6 a caucus of the state legislature, contributions reportable under RCW
7 42.17.090 in the aggregate exceeding five thousand dollars within
8 twenty-one days of a general election.

9 **Sec. 23.** RCW 42.17.125 and 1989 c 280 s 12 are each amended to
10 read as follows:

11 Contributions received and reported in accordance with RCW
12 42.17.060 through 42.17.090 may only be transferred to the personal
13 account of a candidate, or of a treasurer or other individual or
14 expended for such individual's personal use under the following
15 circumstances:

16 (1) Reimbursement for or loans to cover lost earnings incurred as
17 a result of campaigning or services performed for the committee. Such
18 lost earnings shall be verifiable as unpaid salary, or when the
19 individual is not salaried, as an amount not to exceed income received
20 by the individual for services rendered during an appropriate,
21 corresponding time period. All lost earnings incurred shall be
22 documented and a record thereof shall be maintained by the individual
23 or the individual's political committee. The committee shall include
24 a copy of such record when its expenditure for such reimbursement is
25 reported pursuant to RCW 42.17.090.

26 (2) Reimbursement for direct out-of-pocket election campaign and
27 postelection campaign related expenses made by the individual. To
28 receive reimbursement from the political committee, the individual
29 shall provide the committee with written documentation as to the

1 amount, date, and description of each expense, and the committee shall
2 include a copy of such information when its expenditure for such
3 reimbursement is reported pursuant to RCW 42.17.090.

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

9 PART IV

10 INDEPENDENT EXPENDITURES

11 **Sec. 24.** RCW 42.17.510 and 1984 c 216 s 1 are each amended to read
12 as follows:

13 (1) All written political advertising, whether relating to
14 candidates or ballot propositions, shall include the sponsor's name and
15 address. All radio and television political advertising, whether
16 relating to candidates or ballot propositions, shall include the
17 sponsor's name. The use of an assumed name shall be unlawful. The
18 party with which a candidate files shall be clearly identified in
19 political advertising for partisan office.

20 (2) In addition to the materials required by subsection (1) of this
21 section, all political advertising undertaken as an independent
22 expenditure by a person or entity other than a party organization shall
23 include the following statement on the communication "NOTICE TO VOTERS
24 (Required by Law): This advertisement is not authorized or approved by
25 any candidate. It is paid for by (name, address, city, state)." If
26 the advertisement is undertaken by a nonindividual, then the following
27 notation shall also be included: "Top Five Contributors", followed by
28 a listing of the names of the five persons or entities making the

1 largest contributions reportable under this chapter during the twelve-
2 month period before the date of the advertisement.

3 (3) The statements and listing of contributors required by
4 subsections (1) and (2) of this section shall:

5 (a) Appear on each page or fold of the written communication in at
6 least ten-point type, or in type at least ten percent of the largest
7 size type used in a written communication directed at more than one
8 voter, such as a billboard or poster, whichever is larger;

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

10 (c) Be in a printed or drawn box set apart from any other printed
11 matter; and

12 (d) Be clearly spoken on any broadcast advertisement.

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

21 ((+3)) (5) For the purposes of this section, "yard sign" means any
22 outdoor sign with dimensions no greater than eight feet by four feet.

23 NEW SECTION. Sec. 25. INDEPENDENT EXPENDITURES. A person or
24 entity making an independent expenditure by mailing one thousand or
25 more identical or nearly identical cumulative pieces of political
26 advertising in a single calendar year shall, within one day after the
27 time of the mailing, file an example of the mailed political
28 advertising with the election officer of the county of residence for
29 the candidate supported or opposed by the independent campaign

1 expenditure or, in the case of an expenditure made in support of or in
2 opposition to a ballot proposition, the county of residence for the
3 person making the expenditure.

4 PART V

5 USE OF PUBLIC FUNDS/OFFICE FOR POLITICAL PURPOSES

6 NEW SECTION. **Sec. 26.** During the twelve-month period preceding
7 the expiration of a state legislator's term in office, no incumbent to
8 that office may mail to a constituent at public expense a letter,
9 newsletter, brochure, or other piece of literature that is not in
10 direct response to that constituent's request for a response or for
11 information. However, one mailing mailed within thirty days after the
12 start of a regular legislative session and one mailing mailed within
13 sixty days after the end of a regular legislative session of identical
14 newsletters to constituents are permitted. A violation of this section
15 constitutes use of the facilities of a public office for the purpose of
16 assisting a campaign under RCW 42.17.130.

17 **Sec. 27.** RCW 41.04.230 and 1988 c 107 s 19 are each amended to
18 read as follows:

19 Any official of the state authorized to disburse funds in payment
20 of salaries and wages of public officers or employees is authorized,
21 upon written request of the officer or employee, to deduct from the
22 salaries or wages of the officers or employees, the amount or amounts
23 of subscription payments, premiums, contributions, or continuation
24 thereof, for payment of the following:

25 (1) Credit union deductions: PROVIDED, That the credit union is
26 organized solely for public employees: AND PROVIDED FURTHER, That
27 twenty-five or more employees of a single state agency or a total of

1 one hundred or more state employees of several agencies have authorized
2 such a deduction for payment to the same credit union.

3 (2) Parking fee deductions: PROVIDED, That payment is made for
4 parking facilities furnished by the agency or by the department of
5 general administration.

6 (3) U.S. savings bond deductions: PROVIDED, That a person within
7 the particular agency shall be appointed to act as trustee. The
8 trustee will receive all contributions; purchase and deliver all bond
9 certificates; and keep such records and furnish such bond or security
10 as will render full accountability for all bond contributions.

11 (4) Board, lodging or uniform deductions when such board, lodging
12 and uniforms are furnished by the state, or deductions for academic
13 tuitions or fees or scholarship contributions payable to the employing
14 institution.

15 (5) Dues and other fees deductions: PROVIDED, That the deduction
16 is for payment of membership dues to any professional organization
17 formed primarily for public employees or college and university
18 professors: AND PROVIDED, FURTHER, That twenty-five or more employees
19 of a single state agency, or a total of one hundred or more state
20 employees of several agencies have authorized such a deduction for
21 payment to the same professional organization.

22 (6) Labor or employee organization dues may be deducted in the
23 event that a payroll deduction is not provided under a collective
24 bargaining agreement under the provisions of RCW 41.06.150: PROVIDED,
25 That twenty-five or more officers or employees of a single agency, or
26 a total of one hundred or more officers or employees of several
27 agencies have authorized such a deduction for payment to the same labor
28 or employee organization: PROVIDED, FURTHER, That labor or employee
29 organizations with five hundred or more members in state government may
30 have payroll deduction for employee benefit programs.

1 commission on or before (~~March 31st~~) the last day of February of each
2 year a statement disclosing for the preceding calendar year the
3 following information:

4 (a) The name of each state elected official and the name of each
5 candidate for state office who was elected to the office and any member
6 of the immediate family of those persons to whom the (~~employer~~)
7 person other than an individual reporting has paid any compensation in
8 the amount of five hundred dollars or more during the preceding
9 calendar year for personal employment or professional services,
10 including professional services rendered by a corporation, partnership,
11 joint venture, association, union, or other entity in which the person
12 holds any office, directorship, or any general partnership interest, or
13 an ownership interest of ten percent or more, the value of the
14 compensation in accordance with the reporting provisions set out in RCW
15 42.17.241(2), and the consideration given or performed in exchange for
16 the compensation.

17 (b) The name of each state elected official, successful candidate
18 for state office, or members of his immediate family to whom the
19 (~~lobbyist employer~~) person other than an individual reporting made
20 expenditures, directly or indirectly, either through a lobbyist or
21 otherwise, the amount of the expenditures and the purpose for the
22 expenditures. For the purposes of this subsection, the term
23 expenditure shall not include any expenditure made by the employer in
24 the ordinary course of business if the expenditure is not made for the
25 purpose of influencing, honoring, or benefiting the elected official,
26 successful candidate, or member of his immediate family, as an elected
27 official or candidate.

28 (c) The total expenditures made by the (~~employer~~) person other
29 than an individual reporting for lobbying purposes, whether through or
30 on behalf of a registered lobbyist or otherwise.

1 (d) All contributions made to a (~~candidate for state office, to~~
2 a)) political committee supporting or opposing a candidate for state
3 office, or to a political committee supporting or opposing a state-wide
4 ballot proposition. Such contributions shall be identified by the name
5 and the address of the recipient and the aggregate amount contributed
6 to each such recipient.

7 (e) The name and address of each registered lobbyist employed by
8 the (~~employer~~) person other than an individual reporting and the
9 total expenditures made by (~~the employer~~) each such person other than
10 an individual for each such lobbyist for lobbying purposes.

11 (f) The names, offices sought, and party affiliations of candidates
12 for state office supported or opposed by independent expenditures of
13 the person other than an individual reporting and the amount of each
14 such expenditure.

15 (g) The identifying proposition number and a brief description of
16 any state-wide ballot proposition supported or opposed by expenditures
17 not reported under (d) of this subsection and the amount of each such
18 expenditure.

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

20 (2) (a) Except as provided in (b) of this subsection, an employer
21 of a lobbyist registered under this chapter shall file a special report
22 with the commission if the employer makes a contribution or
23 contributions aggregating more than one hundred dollars in a calendar
24 month to any one of the following: A candidate, elected official,
25 officer or employee of an agency, or political committee. The report
26 shall identify the date and amount of each such contribution and the
27 name of the candidate, elected official, agency officer or employee, or
28 political committee receiving the contribution or to be benefited by
29 the contribution. The report shall be filed on a form prescribed by

1 the commission and shall be filed within fifteen days after the last
2 day of the calendar month during which the contribution was made.

3 (b) The provisions of (a) of this subsection do not apply to a
4 contribution which is made through a registered lobbyist and reportable
5 under RCW 42.17.170.

6 PART VII

7 PENALTIES

8 **Sec. 29.** RCW 42.17.390 and 1973 c 1 s 39 are each amended to read
9 as follows:

10 ~~((1))~~ One or more of the following civil remedies and sanctions
11 may be imposed by court order in addition to any other remedies
12 provided by law:

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

21 ~~((b))~~ (2) If any lobbyist or sponsor of any grass roots lobbying
22 campaign violates any of the provisions of this chapter, his
23 registration may be revoked or suspended and he may be enjoined from
24 receiving compensation or making expenditures for lobbying: PROVIDED,
25 HOWEVER, That imposition of such sanction shall not excuse said
26 lobbyist from filing statements and reports required by this chapter.

27 ~~((c))~~ (3) Any person who knowingly violates any of the provisions
28 of this chapter may be subject to a civil penalty of not more than ten

1 thousand dollars for each such violation. However, a person or entity
2 who knowingly violates section 4 of this act may be subject to a civil
3 penalty of ten thousand dollars or three times the amount of the
4 contribution illegally made or accepted, whichever is greater.

5 ~~((d))~~ (4) Any person who fails to file a properly completed
6 statement or report within the time required by this chapter may be
7 subject to a civil penalty of ten dollars per day for each day each
8 such delinquency continues.

9 ~~((e))~~ (5) Any person who fails to report a contribution or
10 expenditure may be subject to a civil penalty equivalent to the amount
11 he failed to report.

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

15 PART VIII

16 PUBLIC DISCLOSURE COMMISSION

17 NEW SECTION. **Sec. 30.** COMMISSION AUDITS. The commission shall
18 conduct a sufficient number of audits and field investigations so as to
19 provide a statistically valid finding regarding the degree of
20 compliance with the provisions of this chapter by all required filers.

21 PART IX

22 REFERENDUM

23 NEW SECTION. **Sec. 31.** REFERENDUM. This act shall be submitted to
24 the people for their adoption and ratification, or rejection, at the
25 next succeeding general election to be held in this state, in

1 accordance with Article II, section 1 of the state Constitution, as
2 amended, and the laws to facilitate the operation thereof.

3 PART X

4 MISCELLANEOUS

5 NEW SECTION. **Sec. 32.** APPROPRIATION. The sum of
6 dollars, or as much thereof as may be necessary, is appropriated for
7 the biennium ending June 30, 1993, from the general fund to the public
8 disclosure commission for the purposes of this act.

9 NEW SECTION. **Sec. 33.** CODIFICATION DIRECTIONS. (1) Sections 1
10 through 20 of this act are each added to chapter 42.17 RCW as a
11 subchapter and codified with the subchapter heading of "CAMPAIGN
12 CONTRIBUTION LIMITATIONS."

13 (2) Sections 25, 26, and 30 of this act are each added to chapter
14 42.17 RCW.

15 NEW SECTION. **Sec. 34.** REPEALER. RCW 42.17.243 and 1977 ex.s. c
16 336 s 5 are each repealed.

17 NEW SECTION. **Sec. 35.** HEADINGS AND CAPTIONS. Part headings and
18 section captions as used in this act do not constitute any part of the
19 law.

20 NEW SECTION. **Sec. 36.** EFFECTIVE DATE. This act shall take effect
21 December 1, 1992.

22 NEW SECTION. **Sec. 37.** SEVERABILITY. If any provision of this act
23 or its application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.