

SENATE BILL REPORT

E2SSB 6249

As of February 12, 1996

Title: An act relating to campaign finance reform.

Brief Description: Reforming campaign financing.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Quigley, Smith and Goings).

Brief History:

Committee Activity: Law & Justice: 1/17/96, 2/1/96 [DPS]

Ways & Means: 2/5/96, 2/6/96 [DP2S].

Failed Senate, 2/12/96, 24-25.

SENATE COMMITTEE ON LAW & JUSTICE

Majority Report: That Substitute Senate Bill No. 6249 be substituted therefor, and the substitute bill do pass.

Signed by Senators Smith, Chair; Fairley, Vice Chair; Goings, Hargrove, Haugen, Quigley and Schow.

Staff: Martin Lovinger (786-7443)

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 6249 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Rinehart, Chair; Loveland, Vice Chair; Bauer, Drew, Fraser, Hargrove, Kohl, Pelz, Quigley, Sheldon, Snyder, Spanel, Sutherland and Wojahn.

Staff: Steve Jones (786-7440)

Background: In 1992, Washington voters approved Initiative 134, which imposed limits on campaign contributions to candidates for state office. The stated purposes of the initiative were (1) to give individuals and interest groups equal opportunities to influence elective and governmental processes, (2) to reduce the influence of large organizational contributors, and (3) to restore public trust in governmental institutions and the electoral process.

Some groups interested in campaign issues feel that Initiative 134 has not achieved these goals, in part, because no limit has been placed on campaign spending, which allows special interests to continue unduly influencing the legislative process. This perception also works to discourage people of modest means from seeking public office.

Summary of Bill: Voluntary campaign expenditure limits are established for candidates seeking state office, and candidates must indicate whether they accept or reject such limits.

The initial expenditure limits are as follows:

Governor: \$1,000,000
All other state executive offices: \$250,000
State senator: \$80,000
State representative: \$50,000

The Public Disclosure Commission (PDC) is authorized to adjust expenditure limits as needed to reflect economic changes.

Applicable contribution limits vary depending on whether the participant has accepted voluntary expenditure limits. Anyone who fails to accept voluntary expenditure limits may only accept 25 percent of the otherwise maximum allowable contribution.

Political parties and state legislative caucuses may not accept contributions from individuals that exceed specified levels.

Legislative candidates, state legislators against whom recall charges have been filed, or a political committee that expects to spend funds in support of the recall of a state legislator may only accept contributions from persons who live or work in the district of the candidate or legislator.

A political committee that intends to support or oppose only one candidate or ballot measure, or to contribute or spend 50 percent or more of its funds on behalf of one candidate or ballot measure must include the name of the candidate or ballot measure in the name of the committee. The PDC must notify the candidate of the formation and intent of the committee.

Civil remedies and sanctions are provided for candidates who accept, and then exceed, expenditure limits. Certain expenditures that do not apply to the spending limit are specified.

Only political parties and caucus political committees may contribute more than \$500 per year to a political committee other than a political committee of a candidate or state official against whom recall charges have been filed, a political party, or a caucus political committee.

Voters' pamphlets are required to indicate whether or not candidates accept the voluntary spending limits. This may be indicated by a symbol or logo, to be designed by the Secretary of State.

Under certain circumstances the courts or Legislature can declare an election void.

The use of campaign funds to pay fines under this act is prohibited.

A person who makes an unlawful independent expenditure because of encouragement, approval or collaboration of a candidate is subject to a penalty of up to three times the amount of the unlawful expenditure.

A candidate may not accept or spend any contributed funds before designating the office to which the candidate is seeking election. When a candidate running for one office switches to campaign for a different office, he or she must return any unspent contributions for the campaign for the first office pro rata to the contributors or, if unable to do so, must contribute the unspent funds to charity. Alternatively, the candidate may maintain the funds in a separate account and then dispose of them as surplus funds after the election.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For (Law & Justice): None.

Testimony Against (Law & Justice): None.

Testified (Law & Justice): No one.

Testimony For (Ways & Means): The use of a symbol or logo in the voters' pamphlet will not increase the number of pages in the pamphlet, thereby saving printing and mailing costs.

Testimony Against (Ways & Means): None.

Testified (Ways & Means): Don Whiting, Assistant Secretary of State (neutral).