

**HB 1397** - S COMM AMD

By Committee on Government Operations & Security

1 Strike everything after the enacting clause and insert the  
2 following:

3 "Sec. 1. RCW 42.17A.120 and 2010 c 204 s 304 are each amended to  
4 read as follows:

5 (1) The commission may suspend or modify any of the reporting  
6 requirements of this chapter if it finds that literal application of  
7 this chapter works a manifestly unreasonable hardship in a particular  
8 case and the suspension or modification will not frustrate the  
9 purposes of this chapter. The commission may suspend or modify  
10 reporting requirements only after a hearing is held and the  
11 suspension or modification receives approval from a majority of the  
12 commission. A suspension or modification of the financial affairs  
13 reporting requirements in RCW 42.17A.710 may be approved for an  
14 elected official's time in office, or for up to three years for an  
15 executive state officer, where no material change in the applicant's  
16 circumstances is anticipated. The commission shall act to suspend or  
17 modify any reporting requirements:

18 (a) Only if it determines that facts exist that are clear and  
19 convincing proof of the findings required under this section; and

20 (b) Only to the extent necessary to substantially relieve the  
21 hardship.

22 (2) A manifestly unreasonable hardship exists if reporting the  
23 name of an entity required to be reported under RCW  
24 42.17A.710(1)(g)(ii) would be likely to adversely affect the  
25 competitive position of any entity in which the person filing the  
26 report, or any member of his or her immediate family, holds any  
27 office, directorship, general partnership interest, or an ownership  
28 interest of ten percent or more.

29 (3) Requests for renewals of reporting modifications may be heard  
30 in a brief adjudicative proceeding as set forth in RCW 34.05.482  
31 through 34.05.494 and in accordance with the standards established in  
32 this section. No initial request may be heard in a brief adjudicative  
33 proceeding. No request for renewal may be heard in a brief  
34 adjudicative proceeding if the initial request was granted more than

1 three years previously or if the applicant is holding an office or  
2 position of employment different from the office or position held  
3 when the initial request was granted.

4 (4) Any citizen has standing to bring an action in Thurston  
5 county superior court to contest the propriety of any order entered  
6 under this section within one year from the date of the entry of the  
7 order.

8 (5) The commission shall adopt rules governing the proceedings.

9 **Sec. 2.** RCW 42.17A.710 and 2010 c 204 s 903 are each amended to  
10 read as follows:

11 (1) The statement of financial affairs required by RCW 42.17A.700  
12 shall disclose the following information for the reporting individual  
13 and each member of his or her immediate family:

14 (a) Occupation, name of employer, and business address;

15 (b)(i) Each bank account, savings account, and insurance policy  
16 in which a direct financial interest was held that exceeds (~~twenty~~)  
17 twenty-four thousand dollars at any time during the reporting period  
18 and its highest value during the reporting period; and

19 (ii) Each other item of intangible personal property in which a  
20 direct financial interest was held that exceeds (~~two~~) five thousand  
21 dollars during the reporting period(~~the name, address, and nature~~  
22 of the entity; and the nature and highest value of each direct  
23 financial interest during the reporting period)). For each reportable  
24 interest under this subsection (1)(b)(ii), the disclosure must  
25 include the name and nature of the direct financial interest and its  
26 value. For purposes of reporting the value of any reportable direct  
27 financial interest held on December 31st of the reporting period, the  
28 year-end value may be used. When reporting the value of any  
29 reportable direct financial interest not held on December 31st of the  
30 reporting period, the highest value during the reporting period must  
31 be used. Ownership of shares of multiple mutual funds within the same  
32 mutual fund family may be disclosed by reporting the mutual fund  
33 family name;

34 (c) The name and address of each creditor to whom the value of  
35 two thousand four hundred dollars or more was owed; the original  
36 amount of each debt to each creditor; the amount of each debt owed to  
37 each creditor as of the date of filing; the terms of repayment of  
38 each debt; and the security given, if any, for each such debt. Debts

1 arising from a "retail installment transaction" as defined in chapter  
2 63.14 RCW (retail installment sales act) need not be reported;

3 (d) Every public or private office, directorship, and position  
4 held as trustee;

5 (e) All persons for whom any legislation, rule, rate, or standard  
6 has been prepared, promoted, or opposed for current or deferred  
7 compensation. For the purposes of this subsection, "compensation"  
8 does not include payments made to the person reporting by the  
9 governmental entity for which the person serves as an elected  
10 official or state executive officer or professional staff member for  
11 his or her service in office; the description of such actual or  
12 proposed legislation, rules, rates, or standards; and the amount of  
13 current or deferred compensation paid or promised to be paid;

14 (f) The name and address of each governmental entity,  
15 corporation, partnership, joint venture, sole proprietorship,  
16 association, union, or other business or commercial entity from whom  
17 compensation has been received in any form of a total value of two  
18 thousand four hundred dollars or more; the value of the compensation;  
19 and the consideration given or performed in exchange for the  
20 compensation;

21 (g) The name of any corporation, partnership, joint venture,  
22 association, union, or other entity in which is held any office,  
23 directorship, or any general partnership interest, or an ownership  
24 interest of ten percent or more; the name or title of that office,  
25 directorship, or partnership; the nature of ownership interest; and:

26 (i) With respect to a governmental unit in which the official seeks  
27 or holds any office or position, if the entity has received  
28 compensation in any form during the preceding twelve months from the  
29 governmental unit, the value of the compensation and the  
30 consideration given or performed in exchange for the compensation;

31 and (ii) the name of each governmental unit, corporation,  
32 partnership, joint venture, sole proprietorship, association, union,  
33 or other business or commercial entity from which the entity has  
34 received compensation in any form in the amount of (~~ten~~) twelve  
35 thousand dollars or more during the preceding twelve months and the  
36 consideration given or performed in exchange for the compensation. As  
37 used in (g)(ii) of this subsection, "compensation" does not include  
38 payment for water and other utility services at rates approved by the  
39 Washington state utilities and transportation commission or the  
40 legislative authority of the public entity providing the service.

1 With respect to any bank or commercial lending institution in which  
2 is held any office, directorship, partnership interest, or ownership  
3 interest, it shall only be necessary to report either the name,  
4 address, and occupation of every director and officer of the bank or  
5 commercial lending institution and the average monthly balance of  
6 each account held during the preceding twelve months by the bank or  
7 commercial lending institution from the governmental entity for which  
8 the individual is an official or candidate or professional staff  
9 member, or all interest paid by a borrower on loans from and all  
10 interest paid to a depositor by the bank or commercial lending  
11 institution if the interest exceeds two thousand (~~four~~) nine  
12 hundred dollars;

13 (h) A list, including legal or other sufficient descriptions as  
14 prescribed by the commission, of all real property in the state of  
15 Washington, the assessed valuation of which exceeds (~~ten~~) twelve  
16 thousand dollars in which any direct financial interest was acquired  
17 during the preceding calendar year, and a statement of the amount and  
18 nature of the financial interest and of the consideration given in  
19 exchange for that interest;

20 (i) A list, including legal or other sufficient descriptions as  
21 prescribed by the commission, of all real property in the state of  
22 Washington, the assessed valuation of which exceeds (~~ten~~) twelve  
23 thousand dollars in which any direct financial interest was divested  
24 during the preceding calendar year, and a statement of the amount and  
25 nature of the consideration received in exchange for that interest,  
26 and the name and address of the person furnishing the consideration;

27 (j) A list, including legal or other sufficient descriptions as  
28 prescribed by the commission, of all real property in the state of  
29 Washington, the assessed valuation of which exceeds (~~ten~~) twelve  
30 thousand dollars in which a direct financial interest was held. If a  
31 description of the property has been included in a report previously  
32 filed, the property may be listed, for purposes of this subsection  
33 (1)(j), by reference to the previously filed report;

34 (k) A list, including legal or other sufficient descriptions as  
35 prescribed by the commission, of all real property in the state of  
36 Washington, the assessed valuation of which exceeds (~~twenty~~)  
37 twenty-four thousand dollars, in which a corporation, partnership,  
38 firm, enterprise, or other entity had a direct financial interest, in  
39 which corporation, partnership, firm, or enterprise a ten percent or  
40 greater ownership interest was held;

1 (1) A list of each occasion, specifying date, donor, and amount,  
2 at which food and beverage in excess of fifty dollars was accepted  
3 under RCW 42.52.150(5);

4 (m) A list of each occasion, specifying date, donor, and amount,  
5 at which items specified in RCW 42.52.010(~~((+10))~~) (9) (d) and (f)  
6 were accepted; and

7 (n) Such other information as the commission may deem necessary  
8 in order to properly carry out the purposes and policies of this  
9 chapter, as the commission shall prescribe by rule.

10 (2) Where an amount is required to be reported under subsection  
11 (1)(a) through (m) of this section, it shall be sufficient to comply  
12 with the requirement to report whether the amount is less than four  
13 thousand dollars, at least four thousand dollars but less than twenty  
14 thousand dollars, at least twenty thousand dollars but less than  
15 forty thousand dollars, at least forty thousand dollars but less than  
16 one hundred thousand dollars, or one hundred thousand dollars or  
17 more. An amount of stock may be reported by number of shares instead  
18 of by market value. No provision of this subsection may be  
19 interpreted to prevent any person from filing more information or  
20 more detailed information than required.

21 (3) Items of value given to an official's or employee's spouse,  
22 domestic partner, or family member are attributable to the official  
23 or employee, except the item is not attributable if an independent  
24 business, family, or social relationship exists between the donor and  
25 the spouse, domestic partner, or family member."

**HB 1397** - S COMM AMD

By Committee on Government Operations & Security

26 On page 1, line 2 of the title, after "appointees;" strike the  
27 remainder of the title and insert "and amending RCW 42.17A.120 and  
28 42.17A.710."

EFFECT: (1) Removes modifications to dollar codes for reporting  
asset values on the F-1 statement.

(2) Removes language allowing judges, prosecutors, and sheriffs  
to disclose only city and county of residence, rather than physical  
address or parcel number.

(3) Allows a suspension or modification of the F-1 reporting requirements for an elected official's time in office.

--- END ---