## SUBSTITUTE SENATE BILL 5149

State of Washington 52nd Legislature 1991 Regular Session

By Senate Committee on Law & Justice (originally sponsored by Senators Nelson and Rasmussen; by request of Public Disclosure Commission).

Read first time February 26, 1991.

- 1 AN ACT Relating to gifts and public office funds; amending RCW
- 2 42.17.020, 42.17.090, 42.17.095, 42.17.170, 42.17.240, and 42.17.243;
- 3 and providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 42.17.020 and 1990 c 139 s 2 are each amended to read
- 6 as follows:
- 7 (1) "Agency" includes all state agencies and all local agencies.
- 8 "State agency" includes every state office, department, division,
- 9 bureau, board, commission, or other state agency. "Local agency"
- 10 includes every county, city, town, municipal corporation, quasi-
- 11 municipal corporation, or special purpose district, or any office,
- 12 department, division, bureau, board, commission, or agency thereof, or
- 13 other local public agency.
- 14 (2) "Ballot proposition" means any "measure" as defined by RCW
- 15 29.01.110, or any initiative, recall, or referendum proposition

- 1 proposed to be submitted to the voters of the state or any municipal
- 2 corporation, political subdivision, or other voting constituency from
- 3 and after the time when the proposition has been initially filed with
- 4 the appropriate election officer of that constituency prior to its
- 5 circulation for signatures.
- 6 (3) "Benefit" means any commercial, proprietary, financial,
- 7 economic, or monetary advantage, or the avoidance of any commercial,
- 8 proprietary, financial, economic, or monetary disadvantage.
- 9 (4) "Depository" means a bank designated by a candidate or
- 10 political committee pursuant to RCW 42.17.050.
- 11 (((4))) (5) "Treasurer" and "deputy treasurer" mean the individuals
- 12 appointed by a candidate or political committee, pursuant to RCW
- 13 42.17.050, to perform the duties specified in that section.
- (((5))) (6) "Candidate" means any individual who seeks election to
- 15 public office. An individual shall be deemed to seek election when he
- 16 first:
- 17 (a) Receives contributions or makes expenditures or reserves space
- 18 or facilities with intent to promote his candidacy for office; or
- 19 (b) Announces publicly or files for office.
- (((6))) "Commercial advertiser" means any person who sells the
- 21 service of communicating messages or producing printed material for
- 22 broadcast or distribution to the general public or segments of the
- 23 general public whether through the use of newspapers, magazines,
- 24 television and radio stations, billboard companies, direct mail
- 25 advertising companies, printing companies, or otherwise.
- $((\frac{7}{1}))$  (8) "Commission" means the agency established under RCW
- 27 42.17.350.
- (((8))) "Compensation" unless the context requires a narrower
- 29 meaning, includes payment in any form for real or personal property or
- 30 services of any kind: PROVIDED, That for the purpose of compliance with

- 1 RCW 42.17.241, the term "compensation" shall not include per diem
- 2 allowances or other payments made by a governmental entity to reimburse
- 3 a public official for expenses incurred while the official is engaged
- 4 in the official business of the governmental entity.
- 5  $((\frac{9}{}))$  (10) "Continuing political committee" means a political
- 6 committee that is an organization of continuing existence not
- 7 established in anticipation of any particular election campaign.
- 8  $((\frac{10}{10}))$  (11) "Contribution" includes a loan, gift, deposit,
- 9 subscription, forgiveness of indebtedness, donation, advance, pledge,
- 10 payment, transfer of funds between political committees, or transfer of
- 11 anything of value, including personal and professional services for
- 12 less than full consideration, but does not include interest on moneys
- 13 deposited in a political committee's account, ordinary home hospitality
- 14 and the rendering of personal services of the sort commonly performed
- 15 by volunteer campaign workers, or incidental expenses personally
- 16 incurred by volunteer campaign workers not in excess of fifty dollars
- 17 personally paid for by the worker. Volunteer services, for the
- 18 purposes of this chapter, means services or labor for which the
- 19 individual is not compensated by any person. For the purposes of this
- 20 chapter, contributions other than money or its equivalents shall be
- 21 deemed to have a money value equivalent to the fair market value of the
- 22 contribution. Sums paid for tickets to fund-raising events such as
- 23 dinners and parties are contributions; however, the amount of any such
- 24 contribution may be reduced for the purpose of complying with the
- 25 reporting requirements of this chapter, by the actual cost of
- 26 consumables furnished in connection with the purchase of the tickets,
- 27 and only the excess over the actual cost of the consumables shall be
- 28 deemed a contribution.

- 1  $((\frac{11}{11}))$  <u>(12)</u> "Elected official" means any person elected at a
- 2 general or special election to any public office, and any person
- 3 appointed to fill a vacancy in any such office.
- 4  $((\frac{12}{12}))$  <u>(13)</u> "Election" includes any primary, general, or special
- 5 election for public office and any election in which a ballot
- 6 proposition is submitted to the voters: PROVIDED, That an election in
- 7 which the qualifications for voting include other than those
- 8 requirements set forth in Article VI, section 1 (Amendment 63) of the
- 9 Constitution of the state of Washington shall not be considered an
- 10 election for purposes of this chapter.
- 11  $((\frac{13}{13}))$  (14) "Election campaign" means any campaign in support of
- 12 or in opposition to a candidate for election to public office and any
- 13 campaign in support of, or in opposition to, a ballot proposition.
- 14  $((\frac{14}{14}))$  (15) "Expenditure" includes a payment, contribution,
- 15 subscription, distribution, loan, advance, deposit, or gift of money or
- 16 anything of value, and includes a contract, promise, or agreement,
- 17 whether or not legally enforceable, to make an expenditure. The term
- 18 "expenditure" also includes a promise to pay, a payment, or a transfer
- 19 of anything of value in exchange for goods, services, property,
- 20 facilities, or anything of value for the purpose of assisting,
- 21 benefiting, or honoring any public official or candidate, or assisting
- 22 in furthering or opposing any election campaign. For the purposes of
- 23 this chapter, agreements to make expenditures, contracts, and promises
- 24 to pay may be reported as estimated obligations until actual payment is
- 25 made. The term "expenditure" shall not include the partial or complete
- 26 repayment by a candidate or political committee of the principal of a
- 27 loan, the receipt of which loan has been properly reported.
- $((\frac{15}{15}))$  (16) "Final report" means the report described as a final
- 29 report in RCW 42.17.080(2).

- 1  $((\frac{16}{10}))$  (17) "Gift" means a rendering of money, property,
- 2 services, discount, loan forgiveness, payment of indebtedness,
- 3 reimbursements from or payments by persons, other than the state of
- 4 Washington or any agency or political subdivision thereof, for travel
- 5 or anything else of value in excess of fifty dollars in return for
- 6 which legal consideration of equal or greater value is not given and
- 7 received but does not include:
- 8 (a) Any contribution that is required to be reported under RCW
- 9 42.17.090 or 42.17.243;
- 10 (b) Any informational material that is transferred for the purpose
- 11 of informing the recipient about matters pertaining to official agency
- 12 business, and that is not intended to financially benefit that
- 13 <u>recipient;</u>
- 14 (c) Any symbolic presentation that is not intended to financially
- 15 benefit the recipient;
- 16 (d) Any honorarium that is required to be reported under this
- 17 <u>chapter;</u>
- 18 (e) Any hosting in the form of entertainment, meals, or
- 19 refreshments, the value of which does not exceed fifty dollars,
- 20 furnished in connection with official appearances, official ceremonies,
- 21 and occasions where official agency business is discussed;
- 22 (f) Gifts that are not used and that, within thirty days after
- 23 receipt, are returned to the donor or delivered to a charitable
- 24 organization without being claimed as a charitable contribution for tax
- 25 purposes;
- 26 (q) Intrafamily gifts; or
- 27 (h) Gifts received in the normal course of private business or
- 28 social interaction that are not related to public policy decisions or
- 29 <u>agency actions.</u>

- 1 (18) "Immediate family" includes the spouse, dependent children,
- 2 and other dependent relatives, if living in the household.
- 3  $((\frac{17}{17}))$  <u>(19)</u> "Legislation" means bills, resolutions, motions,
- 4 amendments, nominations, and other matters pending or proposed in
- 5 either house of the state legislature, and includes any other matter
- 6 that may be the subject of action by either house or any committee of
- 7 the legislature and all bills and resolutions that, having passed both
- 8 houses, are pending approval by the governor.
- 9  $((\frac{18}{18}))$  <u>(20)</u> "Lobby" and "lobbying" each mean attempting to
- 10 influence the passage or defeat of any legislation by the legislature
- 11 of the state of Washington, or the adoption or rejection of any rule,
- 12 standard, rate, or other legislative enactment of any state agency
- 13 under the state Administrative Procedure Act, chapter 34.05 RCW.
- 14 Neither "lobby" nor "lobbying" includes an association's or other
- 15 organization's act of communicating with the members of that
- 16 association or organization.
- 17  $((\frac{19}{19}))$  (21) "Lobbyist" includes any person who lobbies either in
- 18 his or her own or another's behalf.
- 19 (((20))) (22) "Lobbyist's employer" means the person or persons by
- 20 whom a lobbyist is employed and all persons by whom he is compensated
- 21 for acting as a lobbyist.
- $((\frac{21}{2}))$  (23) "Person" includes an individual, partnership, joint
- 23 venture, public or private corporation, association, federal, state, or
- 24 local governmental entity or agency however constituted, candidate,
- 25 committee, political committee, political party, executive committee
- 26 thereof, or any other organization or group of persons, however
- 27 organized.
- $((\frac{(22)}{2}))$  <u>(24)</u> "Person in interest" means the person who is the
- 29 subject of a record or any representative designated by that person,
- 30 except that if that person is under a legal disability, the term

- 1 "person in interest" means and includes the parent or duly appointed
- 2 legal representative.
- 3  $((\frac{(23)}{(25)}))$  "Political advertising" includes any advertising
- 4 displays, newspaper ads, billboards, signs, brochures, articles,
- 5 tabloids, flyers, letters, radio or television presentations, or other
- 6 means of mass communication, used for the purpose of appealing,
- 7 directly or indirectly, for votes or for financial or other support in
- 8 any election campaign.
- 9  $((\frac{24}{24}))$  <u>(26)</u> "Political committee" means any person (except a
- 10 candidate or an individual dealing with his own funds or property)
- 11 having the expectation of receiving contributions or making
- 12 expenditures in support of, or opposition to, any candidate or any
- 13 ballot proposition.
- $((\frac{(25)}{)}))$  <u>(27)</u> "Public office" means any federal, state, county,
- 15 city, town, school district, port district, special district, or other
- 16 state political subdivision elective office.
- 17  $((\frac{(26)}{(26)}))$  "Public record" includes any writing containing
- 18 information relating to the conduct of government or the performance of
- 19 any governmental or proprietary function prepared, owned, used, or
- 20 retained by any state or local agency regardless of physical form or
- 21 characteristics.
- 22  $((\frac{27}{27}))$  <u>(29)</u> "Surplus funds" mean, in the case of a political
- 23 committee or candidate, the balance of contributions that remain in the
- 24 possession or control of that committee or candidate subsequent to the
- 25 election for which the contributions were received, and that are in
- 26 excess of the amount necessary to pay remaining debts incurred by the
- 27 committee or candidate prior to that election. In the case of a
- 28 continuing political committee, "surplus funds" mean those
- 29 contributions remaining in the possession or control of the committee

- 1 that are in excess of the amount necessary to pay all remaining debts
- 2 when it makes its final report under RCW 42.17.065.
- 3 ((<del>(28)</del>)) <u>(30)</u> "Writing" means handwriting, typewriting, printing,
- 4 photostating, photographing, and every other means of recording any
- 5 form of communication or representation, including letters, words,
- 6 pictures, sounds, or symbols, or combination thereof, and all papers,
- 7 maps, magnetic or paper tapes, photographic films and prints, magnetic
- 8 or punched cards, discs, drums, and other documents.
- 9 As used in this chapter, the singular shall take the plural and any
- 10 gender, the other, as the context requires.
- 11 **Sec. 2.** RCW 42.17.090 and 1989 c 280 s 9 are each amended to read
- 12 as follows:
- 13 (1) Each report required under RCW 42.17.080 (1) and (2) shall disclose
- 14 the following:
- 15 (a) The funds on hand at the beginning of the period;
- 16 (b) The name and address of each person who has made one or more
- 17 contributions during the period, together with the money value and date
- 18 of such contributions and the aggregate value of all contributions
- 19 received from each such person during the campaign or in the case of a
- 20 continuing political committee, the current calendar year: PROVIDED,
- 21 That pledges in the aggregate of less than one hundred dollars from any
- 22 one person need not be reported: PROVIDED FURTHER, That the income
- 23 which results from a fund-raising activity conducted in accordance with
- 24 RCW 42.17.067 may be reported as one lump sum, with the exception of
- 25 that portion of such income which was received from persons whose names
- 26 and addresses are required to be included in the report required by RCW
- 27 42.17.067: PROVIDED FURTHER, That contributions of no more than
- 28 twenty-five dollars in the aggregate from any one person during the
- 29 election campaign may be reported as one lump sum so long as the

- 1 campaign treasurer maintains a separate and private list of the name,
- 2 address, and amount of each such contributor: PROVIDED FURTHER, That
- 3 the money value of contributions of postage shall be the face value of
- 4 such postage;
- 5 (c) Each loan, promissory note, or security instrument to be used
- 6 by or for the benefit of the candidate or political committee made by
- 7 any person, together with the names and addresses of the lender and
- 8 each person liable directly, indirectly or contingently and the date
- 9 and amount of each such loan, promissory note, or security instrument;
- 10 (d) All other contributions not otherwise listed or exempted;
- 11 (e) The name and address of each candidate or political committee
- 12 to which any transfer of funds was made, together with the amounts and
- 13 dates of such transfers;
- 14 (f) The name and address of each person to whom an expenditure was
- 15 made in the aggregate amount of more than fifty dollars during the
- 16 period covered by this report, and the amount, date, and purpose of
- 17 each such expenditure. A candidate for state executive or state
- 18 legislative office or the political committee of such a candidate shall
- 19 report this information for an expenditure under one of the following
- 20 categories, whichever is appropriate: (i) Expenditures for the
- 21 election of the candidate; (ii) ((expenditures for nonreimbursed public
- 22 office-related expenses; (iii))) expenditures required to be reported
- 23 under (e) of this subsection; or (((iv))) (iii) expenditures of surplus
- 24 funds and other expenditures. The report of such a candidate or
- 25 committee shall contain a separate total of expenditures for each
- 26 category and a total sum of all expenditures. Other candidates and
- 27 political committees need not report information regarding expenditures
- 28 under the categories listed in (i) through (((iv))) (iii) of this
- 29 subsection or under similar such categories unless required to do so by

- 1 the commission by rule. The report of such an other candidate or
- 2 committee shall also contain the total sum of all expenditures;
- 3 (g) The name and address of any person and the amount owed for any
- 4 debt, obligation, note, unpaid loan, or other liability in the amount
- 5 of more than two hundred fifty dollars or in the amount of more than
- 6 fifty dollars that has been outstanding for over thirty days;
- 7 (h) The surplus or deficit of contributions over expenditures;
- 8 (i) The disposition made in accordance with RCW 42.17.095 of any
- 9 surplus funds;
- 10 (j) Such other information as shall be required by the commission
- 11 by rule in conformance with the policies and purposes of this chapter;
- 12 and
- 13 (k) Funds received from a political committee not otherwise
- 14 required to report under this chapter (a "nonreporting committee").
- 15 Such funds shall be forfeited to the state of Washington unless the
- 16 nonreporting committee has filed or within ten days following such
- 17 receipt files with the commission a statement disclosing: (i) its name
- 18 and address; (ii) the purposes of the nonreporting committee; (iii) the
- 19 names, addresses, and titles of its officers or if it has no officers,
- 20 the names, addresses, and titles of its responsible leaders; (iv) the
- 21 name, office sought, and party affiliation of each candidate in the
- 22 state of Washington whom the nonreporting committee is supporting, and,
- 23 if such committee is supporting the entire ticket of any party, the
- 24 name of the party; (v) the ballot proposition supported or opposed in
- 25 the state of Washington, if any, and whether such committee is in favor
- 26 of or opposed to such proposition; (vi) the name and address of each
- 27 person residing in the state of Washington or corporation which has a
- 28 place of business in the state of Washington who has made one or more
- 29 contributions in the aggregate of more than twenty-five dollars to the
- 30 nonreporting committee during the current calendar year, together with

- 1 the money value and date of such contributions; (vii) the name and
- 2 address of each person in the state of Washington to whom an
- 3 expenditure was made by the nonreporting committee on behalf of a
- 4 candidate or political committee in the aggregate amount of more than
- 5 fifty dollars, the amount, date, and purpose of such expenditure, and
- 6 the total sum of such expenditures; (viii) such other information as
- 7 the commission may prescribe by rule, in keeping with the policies and
- 8 purposes of this chapter. A nonreporting committee incurring an
- 9 obligation to file additional reports in a calendar year may satisfy
- 10 the obligation by filing with the commission a letter providing
- 11 updating or amending information.
- 12 (2) The treasurer and the candidate shall certify the correctness
- 13 of each report.
- 14 Sec. 3. RCW 42.17.095 and 1982 c 147 s 8 are each amended to read
- 15 as follows:
- 16 The surplus funds of a candidate, or of a political committee
- 17 supporting or opposing a candidate, may only be disposed of in any one
- 18 or more of the following ways:
- 19 (1) Return the surplus to a contributor in an amount not to exceed
- 20 that contributor's original contribution;
- 21 (2) Transfer the surplus to the candidate's personal account as
- 22 reimbursement for lost earnings incurred as a result of that
- 23 candidate's election campaign. Such lost earnings shall be verifiable
- 24 as unpaid salary or, when the candidate is not salaried, as an amount
- 25 not to exceed income received by the candidate for services rendered
- 26 during an appropriate, corresponding time period. All lost earnings
- 27 incurred shall be documented and a record thereof shall be maintained
- 28 by the candidate or the candidate's political committee. The committee

- 1 shall include a copy of such record when its expenditure for such
- 2 reimbursement is reported pursuant to RCW 42.17.090;
- 3 (3) Transfer all or part of the surplus to a public office fund
- 4 established in accordance with RCW 42.17.243;
- 5 (4) Transfer the surplus to one or more candidates or to a
- 6 political committee or party;
- 7  $((\frac{4}{1}))$  Donate the surplus to a charitable organization
- 8 registered in accordance with chapter 19.09 RCW;
- 9 (((5))) (6) Transmit the surplus to the state treasurer for deposit
- 10 in the general fund; or
- 11  $((\frac{6}{}))$  Hold the surplus in the  $(\frac{campaign}{})$  depository or
- 12 depositories designated in accordance with RCW 42.17.050 for possible
- 13 use in a future election campaign, for political activity, or for
- 14 community activity, or for nonreimbursed public office related expenses
- 15 <u>incurred within sixty days of the election</u> and report any such
- 16 disposition in accordance with RCW 42.17.090((: PROVIDED, That)).
- 17 However, if the candidate subsequently announces or publicly files for
- 18 office, information as appropriate is reported to the commission in
- 19 accordance with RCW 42.17.040 through 42.17.090. If a subsequent
- 20 office is not sought the surplus held shall be disposed of in
- 21 accordance with the requirements of this section.
- 22 **Sec. 4.** RCW 42.17.170 and 1990 c 139 s 3 are each amended to read
- 23 as follows:
- 24 (1) Any lobbyist registered under RCW 42.17.150 and any person who
- 25 lobbies shall file with the commission periodic reports of his
- 26 activities signed by the lobbyist. The reports shall be made in the
- 27 form and manner prescribed by the commission. They shall be due
- 28 monthly and shall be filed within fifteen days after the last day of
- 29 the calendar month covered by the report.

- 1 (2) Each such monthly periodic report shall contain:
- 2 (a) The totals of all expenditures for lobbying activities made or
- 3 incurred by such lobbyist or on behalf of such lobbyist by the
- 4 lobbyist's employer during the period covered by the report. Such
- 5 totals for lobbying activities shall be segregated according to
- 6 financial category, including compensation; food and refreshments;
- 7 living accommodations; advertising; travel; contributions; and other
- 8 expenses or services. Each individual expenditure of more than
- 9 ((twenty-five)) fifty dollars for entertainment shall be identified by
- 10 date, place, amount, and the names of all persons in the group
- 11 partaking in or of such entertainment including any portion thereof
- 12 attributable to the lobbyist's participation therein but without
- 13 allocating any portion of such expenditure to individual participants.
- Notwithstanding the foregoing, lobbyists are not required to report
- 15 the following:
- 16 (i) Unreimbursed personal living and travel expenses not incurred
- 17 directly for lobbying;
- 18 (ii) Any expenses incurred for his or her own living
- 19 accommodations;
- 20 (iii) Any expenses incurred for his or her own travel to and from
- 21 hearings of the legislature;
- 22 (iv) Any expenses incurred for telephone, and any office expenses,
- 23 including rent and salaries and wages paid for staff and secretarial
- 24 assistance.
- 25 (b) In the case of a lobbyist employed by more than one employer,
- 26 the proportionate amount of such expenditures in each category incurred
- 27 on behalf of each of his employers.
- 28 (c) An itemized listing of each such expenditure in the nature of
- 29 a contribution of money or of tangible or intangible personal property
- 30 to any candidate, elected official, or officer or employee of any

- 1 agency, or any political committee supporting or opposing any ballot
- 2 proposition, or for or on behalf of any candidate, elected official, or
- 3 officer or employee of any agency, or any political committee
- 4 supporting or opposing any ballot proposition. All contributions made
- 5 to, or for the benefit of, any candidate, elected official, or officer
- 6 or employee of any agency, or any political committee supporting or
- 7 opposing any ballot proposition shall be identified by date, amount,
- 8 and the name of the candidate, elected official, or officer or employee
- 9 of any agency, or any political committee supporting or opposing any
- 10 ballot proposition receiving, or to be benefited by each such
- 11 contribution. When a listing or a report of contributions is made to
- 12 the commission under this subsection (2)(c), a copy of the listing or
- 13 report must be given to the candidate, elected official, or officer or
- 14 employee of any agency, or any political committee supporting or
- 15 opposing any ballot proposition named in the listing or report.
- 16 (d) The subject matter of proposed legislation or other legislative
- 17 activity or rule-making under chapter 34.05 RCW, the state
- 18 Administrative Procedure Act, and the state agency considering the
- 19 same, which the lobbyist has been engaged in supporting or opposing
- 20 during the reporting period.
- 21 (e) Such other information relevant to lobbying activities as the
- 22 commission shall by rule prescribe. Information supporting such
- 23 activities as are required to be reported is subject to audit by the
- 24 commission.
- 25 Sec. 5. RCW 42.17.240 and 1989 c 158 s 1 are each amended to read
- 26 as follows:
- 27 (1) Every elected official and every executive state officer shall
- 28 after January 1st and before April 15th of each year file with the
- 29 commission a statement of financial affairs for the preceding calendar

- 1 year. However, any local elected official whose term of office expires
- 2 immediately after December 31st shall file the statement required to be
- 3 filed by this section for the year that ended on that December 31st.
- 4 <u>In addition to and in conjunction with the statement of financial</u>
- 5 affairs, every official and officer shall file a statement describing
- 6 any gifts received during the preceding calendar year.
- 7 (2) Every candidate shall within two weeks of becoming a candidate
- 8 file with the commission a statement of financial affairs for the
- 9 preceding twelve months.
- 10 (3) Every person appointed to a vacancy in an elective office or
- 11 executive state officer position shall within two weeks of being so
- 12 appointed file with the commission a statement of financial affairs for
- 13 the preceding twelve months.
- 14 (4) A statement of a candidate or appointee filed during the period
- 15 from January 1st to April 15th shall cover the period from January 1st
- 16 of the preceding calendar year to the time of candidacy or appointment
- 17 if the filing of the statement would relieve the individual of a prior
- 18 obligation to file a statement covering the entire preceding calendar
- 19 year.
- 20 (5) No individual may be required to file more than once in any
- 21 calendar year.
- 22 (6) Each statement of financial affairs filed under this section
- 23 shall be sworn as to its truth and accuracy.
- 24 (7) For the purposes of this section, the term "executive state
- 25 officer" includes those listed in RCW 42.17.2401.
- 26 (8) This section does not apply to incumbents or candidates for a
- 27 federal office or the office of precinct committee officer.
- 28 **Sec. 6.** RCW 42.17.243 and 1977 ex.s. c 366 s 5 are each amended to
- 29 read as follows:

- 1 (1) Elected and appointed officials required to report under RCW
- 2 42.17.240((7)) shall report for themselves and for members of their
- 3 immediate family to the commission any contributions received ((during
- 4 the preceding calendar year)) for the officials' use in defraying
- 5 nonreimbursed public office related expenses. Contributions reported
- 6 under this section shall be referred to as a "public office fund" and
- 7 shall ((not be transferred to a political committee nor used to promote
- 8 or oppose a candidate or ballot proposition, other than as provided by
- 9 subsection (3) (a) of this section. For the purposes of this section
- 10 contributions shall include reimbursements from or payments by persons,
- 11 other than the state of Washington or any agency, for travel expenses))
- 12 be held in a separate bank account established for that purpose.
- 13 (2) Within two weeks of the day the public office fund is
- 14 established, the official for whom it is established shall file with
- 15 the commission a registration statement to include:
- 16 <u>(a) The name of the official;</u>
- 17 <u>(b) The name and business address of the person who will maintain</u>
- 18 all financial records of the fund;
- 19 <u>(c) Such other information as the commission may prescribe by rule,</u>
- 20 <u>in keeping with the policies and purposes of this chapter.</u>
- 21 Any official who has a public office fund in existence on the
- 22 <u>effective date of this act shall file a registration statement at the</u>
- 23 time the quarterly report required by subsection (3) of this section
- 24 <u>first comes due.</u>
- 25 (3) A report shall be filed ((during the month of January of any
- 26 year following a year)) within one month after the end of each calendar
- 27 quarter in which ((such contributions were received for or expenditures
- 28 made from)) a public office fund existed. The report shall include:
- 29 (a) The name and address of each contributor;

- 1 (b) A description of each contribution, including the date on which
- 2 it was received and its amount or, if its dollar value is
- 3 unascertainable, an estimate of its fair market value; ((and))
- 4 (c) A description of each expenditure made from a public office
- 5 fund, including the name and address of the recipient, the amount, and
- 6 the date of each ((such)) expenditure; and
- 7 (d) Such other information as the commission may prescribe by rule,
- 8 in keeping with the policies and purpose of this chapter.
- 9 The official for whom the office fund is established shall certify
- 10 that the report is correct.
- 11  $((\frac{2}{2}))$  Mo report under  $(\frac{\text{subsection}}{2})$  subsections (2) and
- 12 (3) of this section (( $\frac{\text{shall be}}{\text{be}}$ ))  $\frac{\text{is}}{\text{required if}}$
- 13 (a) The receipt of the contribution has been reported pursuant to
- 14 RCW 42.17.065 (continuing political committee reports) or RCW 42.17.090
- 15 (political committee reports); or
- 16 (b))) the contribution is in the form of meals, refreshments, or
- 17 entertainment given in connection with official appearances or
- 18 occasions where public business was discussed.
- 19 ((<del>(3)</del>)) <u>(5) Expenditures may be made from a public office fund only</u>
- 20 to pay expenses incurred by the official or members of the official's
- 21 immediate family solely because of the person holding a public office.
- 22 (a) No funds or assets of a public office fund may be used to
- 23 support or oppose a candidate or ballot proposition, political party,
- 24 or political committee except as provided in subsection (6)(a) of this
- 25 section.
- 26 (b) No payment may be made from a public office fund to an official
- 27 to reimburse that official or a member of the official's family for
- 28 <u>lost earnings incurred as a result of that person being a public</u>
- 29 official.

- 1 (c) No funds or assets of a public office fund may be transferred
- 2 to the public office fund of another person.
- 3 (d) All payments shall be substantiated by receipts or other
- 4 appropriate documentation.
- 5 (6) Any funds ((which)) or other assets, whether tangible or
- 6 <u>intangible</u>, that remain in a public office fund after all permissible
- 7 public office related expenses have been paid may only be disposed of
- 8 in one or more of the following ways:
- 9 (a) Returned to a contributor in an amount not to exceed that
- 10 contributor's original contribution; or
- 11 (b) Donated to a charitable organization registered in accordance
- 12 with chapter 19.09 RCW; or
- 13 (c) Transferred to the state treasurer for deposit in the general
- 14 fund; or
- 15 (d) In the case of tangible assets, transferred to the government
- 16 agency in which the official holds office.
- 17 <u>(7) The official or person named in the registration statement</u>
- 18 shall preserve books of account, bills, receipts, and all other
- 19 financial records of the office fund for not less than five calendar
- 20 years following the year in which the transaction occurred.
- 21 <u>NEW SECTION.</u> **Sec. 7.** This act shall take effect January 1,
- 22 1992.