

1 permit them to exercise a disproportionate or controlling influence on
2 the election 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 the small contributor has 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 participate in elective and governmental processes;

18 (2) Reduce the influence of large organizational contributors with
19 a specific financial stake in matters before government, thus
20 countering the perception that decisions are influenced more by the
21 size of the contribution than by the best interests of the people; and

22 (3) Help restore public trust in governmental institutions and the
23 electoral process.

24 PART II

25 DEFINITIONS

26 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions under RCW
27 42.17.020 apply to sections 4 through 20 of this act except as modified

1 by this section. Unless the context clearly requires otherwise, the
2 definitions in this section apply throughout sections 4 through 20 of
3 this act.

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

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

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

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

19 (b) Receives contributions or makes expenditures or reserves space
20 or facilities with intent to promote his or her candidacy for the
21 office; or

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

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

27 (5)(a) "Contribution" includes a loan, gift, deposit, subscription,
28 forgiveness of indebtedness, donation, advance, pledge, payment,
29 transfer of funds between political committees, or transfer of anything

1 of value, including personal and professional services for less than
2 full consideration.

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

5 (i) Interest on moneys deposited in a political committee's
6 account;

7 (ii) Ordinary home hospitality;

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

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

15 (v) An expenditure for sample ballots listing all or substantially
16 all candidates and ballot issues that will appear on a coming election
17 ballot, listing all candidates and their political party affiliations
18 for each office mentioned, and perhaps also denoting political
19 committee endorsements, but with no other descriptive information about
20 the candidates;

21 (vi) Any news, feature, commentary, or editorial in a regularly
22 scheduled news medium that is of primary interest to the general
23 public, that is in a news medium controlled by a person whose primary
24 business is that news medium, and that is not controlled by any
25 candidate or political committee;

26 (vii) An expenditure by a political committee for its own internal
27 organization or fund raising without direct association with individual
28 candidates;

29 (viii) An internal political communication primarily limited to the
30 contributors to a political party organization or political action

1 committee, or the officers, management staff, and stockholders of a
2 corporation or similar enterprise, or the members of a labor
3 organization or other membership organization; or

4 (ix) The rendering of personal services of the sort commonly
5 performed by volunteer campaign workers, or incidental expenses
6 personally incurred by volunteer campaign workers not in excess of
7 fifty dollars personally paid for by the worker. "Volunteer services,"
8 for the purposes of this section, means services or labor for which the
9 individual is not compensated by any person and that are performed
10 outside the individual's normal working hours.

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

14 (d) Sums paid for tickets to fund-raising events such as dinners
15 and parties are contributions. However, the amount of the
16 contributions may equal the cost of the ticket less the actual cost of
17 the consumables furnished at the event.

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

22 (f) The financing by a person of the dissemination, distribution,
23 or republication, in whole or in part, of broadcast, written, graphic,
24 or other form of political advertising prepared by a candidate, a
25 political committee, or their authorized agent, is considered to be a
26 contribution to the candidate or political committee.

27 (6) "Corporation" includes any private or public association or
28 proprietorship that is organized for profit or not for profit.

29 (7) "Election cycle" means the period beginning on the first day of
30 December following the date of the last previous general election for

1 the office which the candidate seeks and ending on November thirtieth
2 following the next election for the office. In the case of a special
3 election to fill a vacancy in an office, "election cycle" means the
4 period beginning on the day the vacancy occurs and ending on November
5 thirtieth following the special election.

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

9 (9) "Immediate family" means a candidate's spouse, and any child,
10 stepchild, grandchild, parent, stepparent, grandparent, brother, half-
11 brother, sister, or half-sister of the candidate and the spouse of any
12 such person and any child, stepchild, grandchild, parent, stepparent,
13 grandparent, brother, half-brother, sister, or half-sister of the
14 candidate's spouse and the spouse of any such person.

15 (10) "Independent expenditure" means an "expenditure" as defined in
16 RCW 42.17.020 which has each of the following elements:

17 (a) It is made in support of or in opposition to a candidate for
18 office by a person who is not (i) a candidate for that office, (ii) an
19 authorized committee of a candidate for that office, (iii) a person who
20 has received the candidate's encouragement or approval to make the
21 expenditure, if the expenditure pays in whole or in part for any
22 political advertising supporting that candidate or promoting the defeat
23 of any other candidate or candidates for that office, or (iv) a person
24 with whom the candidate has collaborated for the purpose of making the
25 expenditure, if the expenditure pays in whole or in part for any
26 political advertising supporting that candidate or promoting the defeat
27 of any other candidate or candidates for that office;

28 (b) The expenditure pays in whole or in part for any political
29 advertising which either specifically names the candidate supported or

1 opposed, or clearly and beyond any doubt identifies such candidate
2 without using the candidate's name; and

3 (c) The expenditure, alone or in conjunction with another
4 expenditure or other expenditures of the same person in support of or
5 opposition to that candidate, has a value of five hundred dollars or
6 more. A sequence of expenditures each of which is under five hundred
7 dollars shall constitute one independent expenditure as of the time
8 that the last expenditure brings the total value of the sequence to
9 five hundred dollars or more.

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

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

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

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

21 (12) "Organization" means a:

22 (a) Labor organization;

23 (b) Collective bargaining organization;

24 (c) Local, state, or national organization to which a labor
25 organization pays membership per capita fees, based upon its
26 affiliation and membership; or

27 (d) Trade or professional association that receives its funds
28 exclusively from membership dues or service fees, whether organized
29 inside or outside the state.

1 (13) "Primary" means the procedure for nominating a candidate to
2 state office under chapter 29.18 or 29.21 RCW or any other primary for
3 an election which uses, in large measure, the procedures established in
4 chapter 29.18 or 29.21 RCW.

5 (14) "Recall campaign" means the period of time beginning on the
6 date of the filing of recall charges pursuant to RCW 29.82.015 and
7 ending thirty days after the recall election.

8 (15) "State legislative office" means the office of a member of the
9 state house of representatives and the office of a member of the state
10 senate.

11 (16) "State office" means state legislative office or the office of
12 governor, lieutenant governor, secretary of state, commissioner of
13 public lands, insurance commissioner, superintendent of public
14 instruction, state auditor, or state treasurer.

15 (17) "State official" means a person who holds a state office.

16 PART III

17 CONTRIBUTIONS

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

25 (2) No person, other than a bona fide political party or a caucus
26 of the state legislature, may make contributions to any state official
27 against whom recall charges have been filed, or to any political
28 committee having the expectation of making expenditures in support of

1 the recall of any such state official, during a recall campaign which
2 in the aggregate exceed five hundred dollars. No state official
3 against whom recall charges have been filed, no authorized committee of
4 such an official, and no political committee having the expectation of
5 making expenditures in support of the recall of any state official, may
6 accept contributions from a person which exceed the contribution
7 limitation provided by this subsection.

8 (3) Notwithstanding subsection (1) of this section, no bona fide
9 political party and no caucus of the state legislature may make
10 contributions to any candidate during an election cycle which in the
11 aggregate exceed fifty cents multiplied times the number of eligible
12 registered voters in the jurisdiction entitled to elect the candidate.
13 No candidate and no authorized committee of a candidate may accept
14 contributions from a bona fide political party or from a caucus of the
15 state legislature which exceed the contribution limitation provided by
16 this subsection.

17 (4) Notwithstanding subsection (2) of this section, no bona fide
18 political party and no caucus of the state legislature may make
19 contributions to any state official against whom recall charges have
20 been filed, or to any political committee having the expectation of
21 making expenditures in support of the recall of any such state
22 official, during a recall campaign which in the aggregate exceed fifty
23 cents multiplied times the number of eligible registered voters in the
24 jurisdiction entitled to recall such state official. No state official
25 against whom recall charges have been filed, no authorized committee of
26 such an official, and no political committee having the expectation of
27 making expenditures in support of the recall of any state official may
28 accept contributions from a bona fide political party or from a caucus
29 of the state legislature which exceed the contribution limitation
30 provided by this subsection.

1 (5) Notwithstanding subsections (1) through (4) of this section, no
2 corporation, partnership, labor organization, organization, political
3 committee, or other nonindividual other than a bona fide political
4 party or caucus of the state legislature may make contributions
5 reportable under this chapter to any candidate, to any state official
6 against whom recall charges have been filed, or to any political
7 committee having the expectation of making expenditures in support of
8 the recall of any such official. No entity prohibited by this
9 subsection from making contributions to candidates may make
10 contributions to a caucus of the state legislature that in the
11 aggregate exceed five hundred dollars in a calendar year or to a bona
12 fide political party that in the aggregate exceed one thousand dollars
13 in a calendar year. This subsection does not apply to loans made in
14 the ordinary course of business.

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

19 (7) Any contribution received within the twelve-month period
20 following a general election for a state office or for a recall
21 election concerning a state office shall be considered to be a
22 contribution during the election cycle ending with that election or
23 during that recall campaign if the contribution is used to pay any debt
24 or obligation incurred to influence the outcome of that election or the
25 primary conducted for that election or of that recall campaign.

26 (8)(a) The contributions allowed by subsection (2) of this section
27 are in addition to those allowed by subsection (1) of this section, and
28 the contributions allowed by subsection (4) of this section are in
29 addition to those allowed by subsection (3) of this section.

1 (b) The provisions of sections 4 through 20 of this act apply to a
2 special election conducted to fill a vacancy in a state office.
3 However, the contributions made to a candidate or received by a
4 candidate for a primary or special election conducted to fill such a
5 vacancy shall not be counted toward any of the limitations which apply
6 to the candidate or to contributions made to the candidate under this
7 subchapter for any other primary or election.

8 NEW SECTION. **Sec. 5.** ATTRIBUTION AND AGGREGATION OF FAMILY
9 CONTRIBUTIONS. (1) Contributions by a husband and wife are considered
10 separate contributions and not aggregated.

11 (2) Contributions by unemancipated children under eighteen years of
12 age are considered contributions by their parents and attributed
13 proportionately to each parent. Fifty percent of the contributions are
14 attributed to each parent or, in the case of a single custodial parent,
15 the total amount is attributed to the parent.

16 NEW SECTION. **Sec. 6.** ATTRIBUTION OF CONTRIBUTIONS BY CONTROLLED
17 ENTITIES. (1) For purposes of this chapter, a contribution by a person
18 or entity controlled by any other person or entity is a contribution by
19 the controlling person or entity. A contribution to a person or entity
20 controlled by another person or entity is a contribution to the
21 controlling person or entity. This subsection does not apply to the
22 relationship between an individual and the spouse of the individual or
23 to the relationship between a bona fide political party and a district
24 or county organization of that party or a caucus of the state
25 legislature of the members of that party.

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

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

4 (b) A contribution by a political committee controlled by a person
5 or entity, which is considered to be a contribution by that person or
6 entity.

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

10 (a) Ownership of a controlling interest in voting shares or
11 securities;

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

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

18 (d) Similar patterns of contributions; and

19 (e) The extent of the transfer of funds between the person or
20 entities.

21 (4) A candidate committee and a committee other than a candidate
22 committee are treated as a single committee if the committees both have
23 the candidate or a member of the candidate's immediate family as an
24 officer.

25 NEW SECTION. **Sec. 7.** ATTRIBUTION OF CONTRIBUTIONS. All
26 contributions made by a person or entity, either directly or
27 indirectly, to a candidate, to a state official against whom recall
28 charges have been filed, or to a political committee, are considered to
29 be contributions from that person or entity to the candidate, state

1 official, or political committee, as are contributions that are in any
2 way earmarked or otherwise directed through an intermediary or conduit
3 to the candidate, state official, or political committee. For the
4 purposes of this section, "earmarked" means a designation, instruction,
5 or encumbrance, whether direct or indirect, expressed or implied, or
6 oral or written, that is intended to result in or that does result in
7 all or any part of a contribution being made to a certain candidate or
8 state official. If a conduit or intermediary exercises any direction
9 or control over the choice of the recipient candidate or state
10 official, the contribution is considered to be by both the original
11 contributor and the conduit or intermediary.

12 NEW SECTION. **Sec. 8.** LIMITATIONS ON EMPLOYERS OR LABOR
13 ORGANIZATIONS. (1) No employer or labor organization may increase the
14 salary of an officer or employee, or give an emolument to an officer,
15 employee, or other person or entity, with the intention that the
16 increase in salary, or the emolument, or a part of it, be contributed
17 or spent to support or oppose any candidate, ballot proposition,
18 political party, or political committee.

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

24 (3) No employer or other person or entity responsible for the
25 disbursement of funds in payment of wages or salaries may withhold or
26 divert any portion of an employee's wages or salaries for contributions
27 to political committees except upon the written request of the
28 employee. The request must be made on a form prescribed by the
29 commission informing the employee of the prohibition against employer

1 and labor organization discrimination described in subsection (2) of
2 this section. The request shall be valid for no more than twelve
3 months from the date it is made by the employee.

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

12 NEW SECTION. **Sec. 9.** CHANGING MONETARY LIMITS. At the beginning
13 of each even-numbered calendar year, the commission shall increase or
14 decrease all dollar amounts in this chapter based on changes in
15 economic conditions as reflected in the inflationary index used by the
16 commission under RCW 42.17.370. The new dollar amounts established by
17 the commission under this section shall be rounded off by the
18 commission to amounts as judged most convenient for public
19 understanding and so as to be within ten percent of the target amount
20 equal to the base amount provided in this chapter multiplied by the
21 increase in the inflationary index since the effective date of this
22 act.

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

1 NEW SECTION. **Sec. 11.** TIME LIMIT FOR STATE OFFICIALS TO SOLICIT
2 OR ACCEPT CONTRIBUTIONS. During the period beginning on the fifteenth
3 day before the date a regular legislative session convenes and
4 continuing thirty days past the date of final adjournment, and during
5 the period beginning on the date a special legislative session convenes
6 and continuing through the date that session adjourns, no state
7 official or any person employed by a state official or state legislator
8 may solicit or accept contributions to a public office fund, to any
9 candidate campaign fund, or to retire any campaign debt.

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

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

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

16 (a) By a commercial lending institution;

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

18 (c) On the same terms ordinarily available to members of the
19 public; and

20 (d) Which is secured or guaranteed;

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

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

25 (2) An individual may not make a contribution on behalf of another
26 person or entity, or while acting as the intermediary or agent of
27 another person or entity, without disclosing to the recipient of the
28 contribution both his or her full name, street address, occupation,

1 name of employer, if any, or place of business if self-employed, and
2 the same information for each contributor for whom the individual
3 serves as intermediary or agent.

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

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

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

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

19 (a) Employment;

20 (b) Conditions of employment; or

21 (c) Application for employment;

22 based on the employee or applicant's contribution or promise to
23 contribute, failure to make a contribution or contribute to a political
24 party or committee.

25 NEW SECTION. **Sec. 16.** AGENCY SHOP FEES AS CONTRIBUTIONS. A labor
26 organization may not use agency shop fees paid by an individual who is
27 not a member of the organization to make contributions or expenditures

1 to influence an election or to operate a political committee, unless
2 affirmatively authorized by the individual.

3 NEW SECTION. **Sec. 17.** SOLICITATION FOR ENDORSEMENT FEES. A
4 person or entity may not solicit from a candidate, committee, political
5 party, or other person or entity money or other property as a condition
6 or consideration for an endorsement, article, or other communication in
7 the news media promoting or opposing a candidate, committee, or
8 political party.

9 NEW SECTION. **Sec. 18.** REIMBURSEMENT FOR CONTRIBUTIONS. A person
10 or entity may not, directly or indirectly, reimburse another person or
11 entity for a contribution to a candidate, committee, or political
12 party.

13 NEW SECTION. **Sec. 19.** PROHIBITION ON USE OF CONTRIBUTIONS FOR A
14 DIFFERENT OFFICE. (1) Except as provided in subsection (2) of this
15 section, a candidate committee may not use or permit the use of
16 contributions solicited for or received by the candidate committee to
17 further the candidacy of the individual for an office other than the
18 office designated on the statement of organization. A contribution
19 solicited for or received on behalf of the candidate is considered
20 solicited or received for the candidacy for which the individual is
21 then a candidate if the contribution is solicited or received before
22 the general elections for which the candidate is a nominee or is
23 unopposed.

24 (2) With the written approval of the contributor, a candidate
25 committee may use or permit the use of contributions solicited for or
26 received by the candidate committee from that contributor to further

1 the candidacy of the individual for an office other than the office
2 designated on the statement of organization.

3 NEW SECTION. **Sec. 20.** OUT-OF-STATE CONTRIBUTIONS PROHIBITED.
4 Notwithstanding section 4 of this act, no person residing outside the
5 state of Washington may contribute to a candidate or political
6 committee required to report under this chapter. No candidate or
7 political committee may accept a contribution that is prohibited by
8 this section.

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

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

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

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

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

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

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

5 (6) Hold the surplus in the campaign depository or depositories
6 designated in accordance with RCW 42.17.050 for possible use in a
7 future election campaign(~~(, for political activity, for community~~
8 ~~activity, or for nonreimbursed public office related expenses)) for the
9 same office last sought by the candidate and report any such
10 disposition in accordance with RCW 42.17.090: PROVIDED, That if the
11 candidate subsequently announces or publicly files for office,
12 information as appropriate is reported to the commission in accordance
13 with RCW 42.17.040 through 42.17.090. If a subsequent office is not
14 sought the surplus held shall be disposed of in accordance with the
15 requirements of this section.~~

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

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

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

22 (a) Exceeds five hundred dollars;

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

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

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

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

7 ~~(3))~~ Except as provided in subsection ~~((4))~~ (3) of this section,
8 the special report required by this section shall be delivered in
9 written form, including but not limited to mailgram, telegram, or
10 nightletter. The special report required by subsection (1) of this
11 section shall be delivered to the commission within forty-eight hours
12 of the time, or on the first working day after, the contribution is
13 received by the candidate or campaign treasurer. ~~((The special report~~
14 ~~required by subsection (2) of this section and RCW 42.17.175 shall be~~
15 ~~delivered to the commission, and the candidate or political committee~~
16 ~~to whom the contribution is made, within twenty four hours of the time,~~
17 ~~or on the first working day after, the contribution is made.~~

18 ~~(4))~~ (3) The special report may be transmitted orally by telephone
19 to the commission to satisfy the delivery period required by subsection
20 ~~((3))~~ (2) of this section if the written form of the report is also
21 mailed to the commission and postmarked within the delivery period
22 established in subsection ~~((3))~~ (2) of this section.

23 ~~((5))~~ (4) The special report shall include at least:

24 (a) The amount of the contribution;

25 (b) The date of receipt;

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

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

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

29 ~~((6))~~ (5) Contributions reported under this section shall also be
30 reported as required by other provisions of this chapter.

1 ~~((7))~~ (6) The commission shall publish daily a summary of the
2 special reports made under this section and RCW 42.17.175.

3 ~~((8))~~ (7) It is a violation of this chapter for ~~((any person to
4 make, or for any candidate or political committee to accept from any
5 one person, contributions reportable under RCW 42.17.090 in the
6 aggregate exceeding fifty thousand dollars for any campaign for state-
7 wide office or exceeding five thousand dollars for any other campaign
8 subject to the provisions of this chapter within twenty one days of a
9 general election. This subsection does not apply to contributions made
10 by, or accepted from, a major Washington state political party as
11 defined in RCW 29.01.090))~~ a political party to make, or for a
12 candidate for state-wide office to accept from a political party,
13 contributions reportable under RCW 42.17.090 in the aggregate exceeding
14 fifty thousand dollars within the twenty-one days preceding a general
15 election.

16 (8) It is a violation of this chapter for a political party or
17 caucus of the state legislature to make, or for any candidate for the
18 state legislature to accept from a political party or a caucus of the
19 state legislature, contributions reportable under RCW 42.17.090 in the
20 aggregate exceeding five thousand dollars within twenty-one days of a
21 general election.

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

24 Contributions received and reported in accordance with RCW
25 42.17.060 through 42.17.090 may only be transferred to the personal
26 account of a candidate, or of a treasurer or other individual or
27 expended for such individual's personal use under the following
28 circumstances:

1 (1) Reimbursement for or loans to cover lost earnings incurred as
2 a result of campaigning or services performed for the committee. Such
3 lost earnings shall be verifiable as unpaid salary, or when the
4 individual is not salaried, as an amount not to exceed income received
5 by the individual for services rendered during an appropriate,
6 corresponding time period. All lost earnings incurred shall be
7 documented and a record thereof shall be maintained by the individual
8 or the individual's political committee. The committee shall include
9 a copy of such record when its expenditure for such reimbursement is
10 reported pursuant to RCW 42.17.090.

11 (2) Reimbursement for direct out-of-pocket election campaign and
12 postelection campaign related expenses made by the individual. To
13 receive reimbursement from the political committee, the individual
14 shall provide the committee with written documentation as to the
15 amount, date, and description of each expense, and the committee shall
16 include a copy of such information when its expenditure for such
17 reimbursement is reported pursuant to RCW 42.17.090.

18 (3) Repayment of loans made by the individual to political
19 committees, which repayment shall be reported pursuant to RCW
20 42.17.090. However, contributions may not be used to reimburse a
21 candidate for loans totalling more than three thousand dollars made by
22 the candidate to the candidate's own authorized committee or campaign.

23 PART IV

24 INDEPENDENT EXPENDITURES

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

27 (1) All written political advertising, whether relating to
28 candidates or ballot propositions, shall include the sponsor's name and

1 address. All radio and television political advertising, whether
2 relating to candidates or ballot propositions, shall include the
3 sponsor's name. The use of an assumed name shall be unlawful. The
4 party with which a candidate files shall be clearly identified in
5 political advertising for partisan office.

6 (2) In addition to the materials required by subsection (1) of this
7 section, all political advertising undertaken as an independent
8 expenditure by a person or entity other than a party organization shall
9 include the following statement on the communication "NOTICE TO VOTERS
10 (Required by Law): This advertisement is not authorized or approved by
11 any candidate. It is paid for by (name, address, city, state)." If
12 the advertisement is undertaken by a nonindividual, then the following
13 notation shall also be included: "Top Five Contributors", followed by
14 a listing of the names of the five persons or entities making the
15 largest contributions reportable under this chapter during the twelve-
16 month period before the date of the advertisement.

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

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

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

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

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

27 (4) Political yard signs are exempt from the requirement of
28 subsections (1) and (2) of this section that the name and address of
29 the sponsor of political advertising be listed on the advertising. In
30 addition, the public disclosure commission shall, by rule, exempt from

1 the identification requirements of subsections (1) and (2) of this
2 section forms of political advertising such as campaign buttons,
3 balloons, pens, pencils, sky-writing, inscriptions, and other forms of
4 advertising where identification is impractical.

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

7 NEW SECTION. **Sec. 25.** INDEPENDENT EXPENDITURES. A person or
8 entity making an independent expenditure by mailing one thousand or
9 more identical or nearly identical cumulative pieces of political
10 advertising in a single calendar year shall, within one day after the
11 time of the mailing, file an example of the mailed political
12 advertising with the election officer of the county of residence for
13 the candidate supported or opposed by the independent campaign
14 expenditure or, in the case of an expenditure made in support of or in
15 opposition to a ballot proposition, the county of residence for the
16 person making the expenditure.

17 PART V

18 USE OF PUBLIC FUNDS/OFFICE FOR POLITICAL PURPOSES

19 NEW SECTION. **Sec. 26.** During the twelve-month period preceding
20 the expiration of a state legislator's term in office, no incumbent to
21 that office may mail to a constituent at public expense a letter,
22 newsletter, brochure, or other piece of literature that is not in
23 direct response to that constituent's request for a response or for
24 information. However, one mailing mailed within thirty days after the
25 start of a regular legislative session and one mailing mailed within
26 sixty days after the end of a regular legislative session of identical
27 newsletters to constituents are permitted. A violation of this section

1 constitutes use of the facilities of a public office for the purpose of
2 assisting a campaign under RCW 42.17.130.

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

5 Any official of the state authorized to disburse funds in payment
6 of salaries and wages of public officers or employees is authorized,
7 upon written request of the officer or employee, to deduct from the
8 salaries or wages of the officers or employees, the amount or amounts
9 of subscription payments, premiums, contributions, or continuation
10 thereof, for payment of the following:

11 (1) Credit union deductions: PROVIDED, That the credit union is
12 organized solely for public employees: AND PROVIDED FURTHER, That
13 twenty-five or more employees of a single state agency or a total of
14 one hundred or more state employees of several agencies have authorized
15 such a deduction for payment to the same credit union.

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

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

24 (4) Board, lodging or uniform deductions when such board, lodging
25 and uniforms are furnished by the state, or deductions for academic
26 tuitions or fees or scholarship contributions payable to the employing
27 institution.

28 (5) Dues and other fees deductions: PROVIDED, That the deduction
29 is for payment of membership dues to any professional organization

1 formed primarily for public employees or college and university
2 professors: AND PROVIDED, FURTHER, That twenty-five or more employees
3 of a single state agency, or a total of one hundred or more state
4 employees of several agencies have authorized such a deduction for
5 payment to the same professional organization.

6 (6) Labor or employee organization dues may be deducted in the
7 event that a payroll deduction is not provided under a collective
8 bargaining agreement under the provisions of RCW 41.06.150: PROVIDED,
9 That twenty-five or more officers or employees of a single agency, or
10 a total of one hundred or more officers or employees of several
11 agencies have authorized such a deduction for payment to the same labor
12 or employee organization: PROVIDED, FURTHER, That labor or employee
13 organizations with five hundred or more members in state government may
14 have payroll deduction for employee benefit programs.

15 ~~(7) ((Voluntary deductions for political committees duly registered
16 with the public disclosure commission and/or the federal election
17 commission: PROVIDED, That twenty five or more officers or employees
18 of a single agency or a total of one hundred or more officers or
19 employees of several agencies have authorized such a deduction for
20 payment to the same political committee.~~

21 ~~(8))~~ Insurance contributions to the authority for payment of
22 premiums under contracts authorized by the state health care authority.

23 Deductions from salaries and wages of public officers and employees
24 other than those enumerated in this section or by other law, may be
25 authorized by the director of financial management for purposes clearly
26 related to state employment or goals and objectives of the agency and
27 for plans authorized by the state health care authority.

28 The authority to make deductions from the salaries and wages of
29 public officers and employees as provided for in this section shall be
30 in addition to such other authority as may be provided by law:

1 PROVIDED, That the state or any department, division, or separate
2 agency of the state shall not be liable to any insurance carrier or
3 contractor for the failure to make or transmit any such deduction.

4 PART VI

5 POLITICAL EXPENDITURE AND CONTRIBUTION REPORTING

6 **Sec. 28.** RCW 42.17.180 and 1990 c 139 s 4 are each amended to read
7 as follows:

8 (1) Every employer of a lobbyist registered under this chapter
9 during the preceding calendar year and every person or entity that made
10 contributions or independent expenditures reportable under this chapter
11 that in the aggregate exceeded five hundred dollars during the
12 preceding calendar year shall file with the commission on or before
13 (~~March 31st~~) the last day of February of each year a statement
14 disclosing for the preceding calendar year the following information:

15 (a) The name of each state elected official and the name of each
16 candidate for state office who was elected to the office and any member
17 of the immediate family of those persons to whom the (~~employer~~)
18 person or entity reporting has paid any compensation in the amount of
19 five hundred dollars or more during the preceding calendar year for
20 personal employment or professional services, including professional
21 services rendered by a corporation, partnership, joint venture,
22 association, union, or other entity in which the person holds any
23 office, directorship, or any general partnership interest, or an
24 ownership interest of ten percent or more, the value of the
25 compensation in accordance with the reporting provisions set out in RCW
26 42.17.241(2), and the consideration given or performed in exchange for
27 the compensation.

1 (b) The name of each state elected official, successful candidate
2 for state office, or members of his immediate family to whom the
3 (~~lobbyist employer~~) person or entity reporting made expenditures,
4 directly or indirectly, either through a lobbyist or otherwise, the
5 amount of the expenditures and the purpose for the expenditures. For
6 the purposes of this subsection, the term expenditure shall not include
7 any expenditure made by the employer in the ordinary course of business
8 if the expenditure is not made for the purpose of influencing,
9 honoring, or benefiting the elected official, successful candidate, or
10 member of his immediate family, as an elected official or candidate.

11 (c) The total expenditures made by the (~~employer~~) person or
12 entity reporting for lobbying purposes, whether through or on behalf of
13 a registered lobbyist or otherwise.

14 (d) All contributions made to a (~~candidate for state office, to~~
15 a)) political committee supporting or opposing a candidate for state
16 office, or to a political committee supporting or opposing a state-wide
17 ballot proposition. Such contributions shall be identified by the name
18 and the address of the recipient and the aggregate amount contributed
19 to each such recipient.

20 (e) The name and address of each registered lobbyist employed by
21 the (~~employer~~) person or entity reporting and the total expenditures
22 made by (~~the employer~~) each such person or entity for each such
23 lobbyist for lobbying purposes.

24 (f) The names, offices sought, and party affiliations of candidates
25 for state office supported or opposed by independent expenditures of
26 the person or entity reporting and the amount of each such expenditure.

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

1 year of the date of the election in question. It is intended that this
2 remedy be imposed freely in all appropriate cases to protect the right
3 of the electorate to an informed and knowledgeable vote.

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

10 ~~((e))~~ (3) Any person who knowingly violates any of the provisions
11 of this chapter may be subject to a civil penalty of not more than ten
12 thousand dollars for each such violation. However, a person or entity
13 who knowingly violates section 4 of this act may be subject to a civil
14 penalty of ten thousand dollars or three times the amount of the
15 contribution illegally made or accepted, whichever is greater.

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

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

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

26 PART VIII

27 PUBLIC DISCLOSURE COMMISSION

1 NEW SECTION. **Sec. 34.** REPEALER. RCW 42.17.243 and 1977 ex.s. c
2 336 s 5 are each repealed.

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

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

8 NEW SECTION. **Sec. 37.** SEVERABILITY. If any provision of this act
9 or its application to any person or circumstance is held invalid, the
10 remainder of the act or the application of the provision to other
11 persons or circumstances is not affected.