
SENATE BILL 5883

State of Washington

52nd Legislature

1991 Regular Session

By Senators Murray, Gaspard, Skratek, Rasmussen, Madsen, McMullen, Rinehart, Bauer, Snyder, Moore, Stratton, Jesernig, L. Kreidler, Pelz, Conner, Wojahn, Niemi, Vognild, Sutherland, A. Smith, Williams and Hansen.

Read first time February 28, 1991. Referred to Committee on Governmental Operations.

1 AN ACT Relating to campaign financing; amending RCW 29.15.050,
2 29.18.050, 42.17.095, 42.17.390, and 43.03.028; adding new sections to
3 chapter 42.17 RCW; adding a new section to chapter 49.44 RCW; adding a
4 new section to chapter 34.05 RCW; adding a new section to chapter 29.80
5 RCW; adding new sections as a new subchapter in chapter 42.17 RCW;
6 adding a new chapter to Title 42 RCW; creating new sections;
7 prescribing penalties; providing an effective date; and providing an
8 expiration date.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

10 NEW SECTION. **Sec. 1.** INTENT. The legislature finds and declares
11 that:

12 (1) The integrity of the electoral process is essential to the
13 preservation of a free and democratic society. The central element of
14 this process is the unfettered exchange of ideas between citizens and
15 candidates for public office.

1 (2) In recent years, the cost of conducting a campaign for state
2 office has become alarmingly and unacceptably high.

3 (3) The pressure on candidates to raise and spend large sums of
4 money has created a political climate where the financial strength of
5 an individual or special interest group may permit it to exercise a
6 potentially corrupting influence on the electoral process.

7 (4) The public perception of such corruption and the potential for
8 actual corruption undermines the credibility and integrity of our
9 public officials and candidates for public office, and thus undermines
10 the public's faith that they are being fairly and honestly represented.

11 (5) It is incumbent upon the legislature to address the increasing
12 role of money in political campaigns and to ensure the preservation of
13 an electoral process where each vote carries equal weight and every
14 candidate can be heard.

15 For these reasons, the legislature enacts this law to govern the
16 financing of election campaigns for state office.

17 CAMPAIGN EXPENDITURE LIMITATIONS AND MATCHING FUNDS

18 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions under RCW
19 42.17.020 apply to sections 2 through 27 and 42 of this act except as
20 modified by this section. Unless the context clearly requires
21 otherwise, the definitions in this section apply throughout sections 2
22 through 27 and 42 of this act:

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

27 (2) "Board" or "election board" means the state election board
28 created by this chapter.

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

7 (4) "Candidate" means an individual seeking nomination for election
8 or seeking election to a state office. Such an individual shall be
9 deemed to be seeking nomination for election or seeking election when
10 the individual first:

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

12 (b) Receives contributions or makes expenditures or reserves space
13 or facilities with intent to promote his or her candidacy for the
14 office; or

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

17 (5) "Caucus of the state legislature" means the caucus of the
18 members of a major political party in the state house of
19 representatives or in the state senate.

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

27 (7) "Eligible candidate" means a candidate for a state office who
28 is eligible under sections 3 and 7 of this act to receive payments
29 under this chapter.

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

4 (9) "Immediate family" means a candidate's spouse, and any child,
5 stepchild, grandchild, parent, stepparent, grandparent, brother, half-
6 brother, sister, or half-sister of the candidate and the spouse of any
7 such person and any child, stepchild, grandchild, parent, stepparent,
8 grandparent, brother, half-brother, sister, or half-sister of the
9 candidate's spouse and the spouse of any such person.

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

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

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

27 (c) The expenditure, alone or in conjunction with another
28 expenditure or other expenditures of the same person in support of or
29 opposition to that candidate, has a value of five hundred dollars or
30 more. A sequence of expenditures each of which is under five hundred

1 dollars shall constitute one independent expenditure as of the time
2 that the last expenditure brings the total value of the sequence to
3 five hundred dollars or more, and no expenditure in the sequence which
4 has been reported to the board under section 13 of this act shall be
5 considered as part of any future independent expenditure.

6 (11) "Major party" means a major political party as defined in RCW
7 29.01.090.

8 (12) "Minor party" means a minor political party as defined in RCW
9 29.01.100.

10 (13) "Multicandidate political committee" means a political
11 committee which, during a period of three calendar years: Receives
12 contributions of twenty-five dollars or more from each of twenty-five
13 or more persons; and makes contributions of at least twenty-five
14 dollars to each of five or more candidates or to the authorized
15 committees of five or more candidates.

16 (14) "Primary" means the procedure for nominating a candidate to
17 state office under chapter 29.18 or 29.21 RCW or any other primary for
18 an election which uses, in large measure, the procedures established in
19 chapter 29.18 or 29.21 RCW.

20 (15) "Recall campaign" means the period of time beginning on the
21 date of the filing of recall charges pursuant to RCW 29.82.015 and
22 ending thirty days after the recall election.

23 (16) "State campaign account" or "account" means the state election
24 campaign account established in section 17 of this act.

25 (17) "State legislative office" means the office of a member of the
26 state house of representatives and the office of a member of the state
27 senate.

28 (18) "State office" means the office of a member of the state
29 legislature or of any elective state executive officer.

30 (19) "State official" means a person who holds a state office.

1 NEW SECTION. **Sec. 3.** ELIGIBILITY FOR PAYMENTS--EXPENDITURE LIMIT

2 AGREEMENT--THRESHOLD AMOUNTS--USE OF LOGO. (1) To be eligible to
3 receive payments under this chapter a candidate shall:

4 (a) Identify the office sought by the candidate; and

5 (b) Agree in writing that the candidate and the authorized
6 committee of the candidate:

7 (i) Will fully comply with the fair campaign practices code adopted
8 by the public disclosure commission as it now exists or is hereafter
9 amended;

10 (ii) Have not made and will not make expenditures during the
11 election cycle which exceed any expenditure limitation applicable to
12 the candidate under section 4 of this act for the office sought by the
13 candidate;

14 (iii) Will deposit all payments received under section 10 of this
15 act in a separate checking account which shall contain only funds so
16 received, and will make no expenditures of funds received under this
17 section except by checks drawn on that account. The account shall be
18 in a financial institution located in this state whose deposits are
19 insured by the federal deposit insurance corporation, federal savings
20 and loan insurance corporation, or national credit union
21 administration;

22 (iv) Will furnish to the election board campaign records, evidence
23 of contributions, and other appropriate information as may be required
24 by the board; and

25 (v) Will cooperate in the case of any audit and examination by or
26 for the board under section 18 of this act.

27 (2) The agreement required by subsection (1) of this section must
28 be filed with the election board by the third business day after the
29 candidate has first received during the election cycle contributions,
30 less loan repayments, in an aggregate amount of:

1 (a) For a candidate for the office of governor, twenty-five
2 thousand dollars;

3 (b) For a candidate for state executive office other than the
4 office of governor, seven thousand five hundred dollars;

5 (c) For a candidate for the state senate, five thousand dollars;
6 and

7 (d) For a candidate for the state house of representatives, two
8 thousand five hundred dollars.

9 Such aggregate contributions include both those which satisfy and
10 those which do not satisfy the provisions of section 11 of this act.

11 (3) The provisions of this section shall not be construed as
12 preventing a candidate from filing a statement of intent with the board
13 at any time. Such a statement shall include a promise signed by the
14 candidate that the candidate has not and will not exceed the
15 expenditure limitation applicable to the candidate under section 4 of
16 this act.

17 (4) Nothing in this chapter requires any candidate to apply for or
18 accept public funding under section 10 or 12 of this act.

19 (5) A candidate for state office who enters and abides by an
20 agreement under subsection (1) of this section is entitled to display
21 the following good campaign practices seal in the political advertising
22 and communications of the candidate during the election cycle to which
23 the agreement applies:

24

25 NEW SECTION. **Sec. 4.** EXPENDITURE LIMITS FOR CANDIDATES UNDER
26 AGREEMENT. (1) Except as provided in subsection (4) of this section,
27 the expenditure limit for the election cycle for a candidate for state
28 office who agrees to the limitations established in this chapter is the

1 greater of: (a) The base amount established for the office sought
2 under subsection (2) of this section; or (b) the base amount plus the
3 amount applicable to the candidate under subsection (3) of this section
4 regarding independent expenditures.

5 (2) The base amount referred to in subsection (1) of this section
6 is:

7 (a) For the office of governor, two million two hundred thousand
8 dollars;

9 (b) For state executive office other than the office of governor,
10 eight hundred thousand dollars;

11 (c) For the office of a member of the state senate, ninety-five
12 thousand dollars; and

13 (d) For the office of a member of the state house of
14 representatives, fifty-five thousand dollars.

15 (3) If, during the twelve months preceding the election in which
16 the candidate is seeking office, independent expenditures by any person
17 or persons are made in opposition to the candidate or for any other
18 candidate for the office sought by the candidate, the expenditure
19 limitation applicable to the candidate (not the other candidate) during
20 the election cycle shall be increased by an amount equal to the amount
21 of the independent expenditures under the following circumstances:

22 (a) The candidate is a candidate for state executive office and the
23 aggregate of such independent expenditures exceeds an amount equal to
24 five percent of the base amount established in subsection (2) of this
25 section for the office sought; or

26 (b) The candidate is a candidate for state legislative office and
27 the aggregate of such independent expenditures exceeds an amount equal
28 to ten percent of the base amount established in subsection (2) of this
29 section for the office sought.

1 (4) A candidate for an office is not subject to an expenditure
2 limitation under this chapter, if during the election cycle another
3 candidate for that office:

4 (a) Enters an expenditure limitation and eligibility agreement
5 under section 3 of this act for an election cycle but expends during
6 the election cycle more than the expenditure limit applicable to that
7 other candidate; or

8 (b)(i) Receives contributions, less any loan repayments,
9 aggregating more than the amount listed in section 3(2) of this act for
10 that office; and

11 (ii) Has not filed with the board the expenditure limitation and
12 eligibility agreement under section 3 of this act within three business
13 days of receiving that aggregate amount in contributions.

14 NEW SECTION. **Sec. 5.** RULES FOR COUNTING CONTRIBUTIONS AND
15 EXPENDITURES. For the purposes of this chapter:

16 (1) The expenditures made by and the contributions received by a
17 candidate and the expenditures made by and the contributions received
18 by the authorized committee of the candidate are considered to be
19 expenditures made by and contributions received by the candidate.

20 (2) Payments made by a candidate to repay loans made to the
21 candidate shall be reported but shall not be counted when determining
22 the total expenditures made by the candidate and the candidate's
23 authorized committee with regard to any of the expenditure limitations
24 provided by this chapter.

25 (3) A contribution received within the twelve-month period
26 following a general election for a state office shall be considered to
27 be a contribution during the election cycle for the state office ending
28 with that election. This subsection only applies to the extent the
29 contribution is used to pay any debt or obligation incurred to

1 influence the outcome of that election or the primary conducted for
2 that election.

3 NEW SECTION. **Sec. 6.** ADDITIONAL RULES FOR COUNTING EXPENDITURES--
4 CHAPTER APPLIES TO ELECTIONS TO FILL VACANCIES. (1) The expenditure
5 limitations imposed by this chapter are limitations on a candidate's
6 expenditures for the candidate's own campaign for state office.

7 (2) The provisions of this chapter apply to a special election
8 conducted to fill a vacancy in a state office. However, the
9 contributions received by a candidate and the expenditures made by a
10 candidate for a primary or special election conducted to fill such a
11 vacancy shall not be counted toward any of the limitations which apply
12 to the candidate under this chapter for the election cycle for any
13 other election.

14 (3) This chapter does not apply to the recall of a state official.
15 The contributions received by a state official against whom recall
16 charges have been filed under chapter 29.82 RCW and the expenditures
17 made by the official, which contributions and expenditures are made
18 with regard to the recall and during the recall campaign, shall not be
19 counted toward any of the limitations which apply under this chapter to
20 the official as a candidate for the election cycle for any other
21 election.

22 (4) An expenditure shall be considered to be an expenditure of the
23 candidate if it is made by (a) the candidate or an authorized committee
24 of the candidate; (b) a person who has received, expressly or
25 impliedly, the candidate's encouragement or approval to make the
26 expenditure, if the expenditure pays in whole or in part for any
27 political advertising supporting the candidate or promoting the defeat
28 of any other candidate or candidates for that office; or (c) a person
29 with whom the candidate has collaborated for the purpose of making the

1 expenditure, if the expenditure pays in whole or in part for any
2 political advertising supporting the candidate or promoting the defeat
3 of any other candidate or candidates for that office.

4 (5) A contribution, donation, or gift voluntarily made by a
5 candidate or the candidate's authorized committee to the state election
6 board for deposit in the state election campaign account shall not be
7 considered to be an expenditure by the candidate for the purposes of
8 this chapter.

9 NEW SECTION. **Sec. 7.** LIMITATIONS ON EXPENDITURES FROM PERSONAL OR
10 FAMILY FUNDS. (1) A candidate who enters an expenditure limitation and
11 eligibility agreement under section 3 of this act for an election cycle
12 shall not make, during the election cycle, expenditures from the
13 personal funds of the candidate, or the funds contributed by any member
14 of the immediate family of the candidate, aggregating in excess of the
15 following:

16 (a) For a candidate for the office of governor, thirty thousand
17 dollars;

18 (b) For a candidate for state executive office other than the
19 office of governor, ten thousand dollars;

20 (c) For a candidate for the office of a member of the state
21 senate, six thousand dollars; and

22 (d) For a candidate for the office of a member of the state house
23 of representatives, three thousand dollars.

24 For the purposes of this subsection, a loan by a candidate or a
25 member of the immediate family of the candidate to the campaign of the
26 candidate shall be considered to be a campaign expenditure by the
27 candidate.

28 (2) A candidate who enters an expenditure limitation and
29 eligibility agreement under section 3 of this act for an election cycle

1 and the authorized committee of the candidate shall not make
2 expenditures during the election cycle which in the aggregate exceed
3 any expenditure limit applicable to the candidate under section 4 of
4 this act.

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

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

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

26 (4) Each person or entity who withholds contributions under
27 subsection (3) of this section shall maintain open for public
28 inspection for a period of no less than three years, during normal
29 business hours, documents and books of accounts that shall include a

1 copy of each employee's request, the amounts and dates funds were
2 actually withheld, and the amounts and dates funds were transferred to
3 a political committee. Copies of such information shall be delivered
4 to the commission upon request.

5 NEW SECTION. **Sec. 9.** VARIOUS CONTRIBUTION AND EXPENDITURE AMOUNTS
6 ADJUSTED FOR INFLATION. The threshold amounts established in section
7 3(2) of this act, the base amounts established in section 4(2) of this
8 act, the amounts in section 7(1) of this act, and the campaign
9 contribution limitations established in section 22 of this act shall be
10 increased or decreased by the board by rule at the beginning of each
11 odd-numbered year based on changes in economic conditions as reflected
12 in the inflationary index used by the public disclosure commission
13 under RCW 42.17.370. The base year to be used for revisions made under
14 this section is 1991.

15 The board may also adjust the base amounts in section 7(1) of this
16 act applicable to a particular legislative office if the board finds
17 that, as a result of changes in population since the latest decennial
18 census, the population in the legislative district for that office
19 differs significantly from the average population of a legislative
20 district in the state. In such a case, the board may adjust the base
21 amount applicable to that office to reflect that difference in
22 populations.

23 NEW SECTION. **Sec. 10.** AMOUNT OF STATE FINANCIAL ASSISTANCE--NO
24 ASSISTANCE IF OPPOSITION IS PARTY TO EXPENDITURE LIMIT AGREEMENT. (1)
25 Except as provided in subsections (3) and (4) of this section, an
26 eligible candidate is entitled to payments from the state campaign
27 account equal to:

1 (a) Four dollars for each qualifying dollar received by the
2 candidate as a contribution for the campaign of the candidate; and

3 (b) The aggregate total amount of independent expenditures made or
4 obligated to be made during the twelve months preceding the election by
5 any person or persons in opposition to the candidate or for any other
6 candidate for the office sought by the candidate if:

7 (i) The candidate is a candidate for state executive office and the
8 aggregate of such independent expenditures exceeds an amount equal to
9 five percent of the base amount established in section 4(2) of this act
10 for the office sought; or

11 (ii) The candidate is a candidate for state legislative office and
12 the aggregate of such independent expenditures exceeds an amount equal
13 to ten percent of the base amount established in section 4(2) of this
14 act for the office sought.

15 A qualifying dollar is one which satisfies all of the provisions of
16 section 11 of this act regarding contributions.

17 (2) Payments received by a candidate under this section shall be
18 deposited as required in section 3(1)(b)(iii) of this act and shall be
19 used to pay for goods and services furnished during the election cycle
20 for which the payments were received. Such payments shall not be used:

21 (a) To make any payments, directly or indirectly, to the candidate
22 or to any member of the immediate family of the candidate;

23 (b) To make any expenditure other than expenditures to further the
24 nomination or election of the candidate; or

25 (c) To repay any loan to any person except to the extent the
26 proceeds of such loan were used to further the nomination or election
27 of the candidate.

28 (3) A candidate shall not be eligible to receive payments from the
29 state campaign account for a primary or election for an office unless:

1 (a) At least one other candidate for the office sought by the
2 candidate: (i) Enters an expenditure limitation and eligibility
3 agreement under section 3 of this act for an election cycle but expends
4 during the election cycle more than the expenditure limit applicable to
5 that other candidate; or (ii)(A) has not filed an expenditure
6 limitation and eligibility agreement under section 3 of this act with
7 the board in a timely manner; and (B) has received during the election
8 cycle contributions, less loan repayments, which, in the aggregate,
9 exceed twice the amount listed in section 3(2) of this act for the
10 office sought. For the purposes of (a)(ii)(B) of this subsection,
11 "contribution" does not include a contribution made by a candidate for
12 state office; and

13 (b) The candidate and the authorized committee of the candidate
14 have received contributions, less loan repayments, in an aggregate
15 threshold amount of at least the amount listed in section 3(2) (a),
16 (b), or (c) of this act for the office sought and all of the
17 contributions received for this purpose satisfy the provisions of
18 section 11 of this act.

19 (4)(a) Except as provided in (b) of this subsection, the sum of all
20 payments from the state campaign account to a candidate for an election
21 cycle may not exceed the following amounts for the office sought:

22 (i) For the office of governor, two hundred twenty thousand
23 dollars;

24 (ii) For state executive office other than the office of governor,
25 eighty thousand dollars;

26 (iii) For the office of a member of the state senate, fifty
27 thousand dollars; and

28 (iv) For the office of a member of the state house of
29 representatives, twenty-five thousand dollars.

1 (b) If the expenditure limitation applicable to the candidate is
2 increased under section 4(3) of this act as a result of independent
3 expenditures, the amount listed for the office sought by the candidate
4 in (a) of this subsection, as it applies to the candidate, shall be
5 increased by an amount equal to those independent expenditures.

6 NEW SECTION. **Sec. 11.** RULES FOR DETERMINING WHETHER CONTRIBUTIONS
7 WILL COUNT FOR DETERMINING THRESHOLD AMOUNT AND FOR STATE MATCHING
8 FUNDS. For a contribution received by a candidate or the candidate's
9 authorized committee to qualify as being one which satisfies the
10 requirements of section 10(3)(b) of this act for raising a threshold
11 amount of contributions or to qualify to be matched by public moneys
12 from the state campaign account under section 10 of this act, the
13 contribution must satisfy each of the following requirements:

14 (1) The contribution shall be a gift of money made by a written
15 instrument which identifies the individual making the contribution;

16 (2) The contribution shall be made directly to the candidate or the
17 candidate's authorized committee. Contributions made through any other
18 person shall not qualify. The provisions of this subsection do not
19 disqualify money received through bona fide joint fund-raising efforts
20 conducted solely for the purpose of sponsorship of a fund-raising
21 reception, dinner, or other event, under rules prescribed by the board,
22 by: (a) Two or more candidates, or (b) one or more candidates and one
23 or more national, state, or local committees of a political party
24 acting on their own behalf;

25 (3) The contribution shall have come from an individual. However,
26 the contribution shall not have come from a candidate for any office;

27 (4)(a) Of the total amount of all contributions made by a person to
28 the candidate and the authorized committee of the candidate or for the
29 benefit of the candidate, not more than the amount listed in (b) of

1 this subsection for the office sought may be counted toward the
2 threshold amount or be matched by moneys from the state campaign
3 account. The provisions of this subsection shall not be construed as
4 limiting the total amount of contributions that may be made by a person
5 to or for the benefit of a candidate or that may be accepted by the
6 candidate or the candidate's authorized committee from the person;

7 (b) The amount referred to in (a) of this subsection is: (i) For
8 the office of governor, one thousand dollars; (ii) for state executive
9 office other than the office of governor, five hundred dollars; (iii)
10 for the state senate, four hundred dollars; and (iv) for the state
11 house of representatives, two hundred dollars;

12 (c) For the purposes of this subsection (4), all contributions by
13 one person who is controlled by any other person shall be considered to
14 have been made by such other person. The provisions of this subsection
15 (c) shall not be construed as applying to the relationship between an
16 individual and the spouse of the individual;

17 (d) The provisions of section 24 (2) and (3) of this act apply in
18 determining whether a person is controlled by any other person for the
19 purposes of (c) of this subsection; and

20 (5) The contribution shall be received during the election cycle.

21 NEW SECTION. **Sec. 12.** PROCEDURES FOR REQUESTING PAYMENT UNDER
22 EXPENDITURE LIMIT AGREEMENT. A candidate desiring payments from the
23 state campaign account shall file a request with the board which shall
24 contain:

25 (1) Such information and be made in accordance with such procedures
26 as the board may provide by rule; and

27 (2) A verification signed by the candidate and the treasurer of the
28 authorized committee of the candidate stating that the information

1 furnished in support of the request, to the best of the knowledge of
2 each, is correct and fully satisfies the requirements of this chapter.

3 No later than two business days after an eligible candidate files
4 a request with the board to receive payments under this section, the
5 board shall determine whether the candidate is eligible to receive
6 payments from the state campaign account and, if the candidate is
7 eligible to receive such payments, disburse to the candidate from the
8 account the full amount to which the candidate is entitled.

9 A candidate is not limited to filing only one request for payments
10 under this section during each election cycle. After filing an
11 original request, a candidate may file one or more supplemental
12 requests to receive the payments to which the candidate is entitled.

13 The board may permit its executive director to approve requests
14 submitted under this section and make the disbursements authorized by
15 this chapter on behalf of the board and within guidelines adopted by
16 the board by rule.

17 NEW SECTION. **Sec. 13.** DISCLOSURE OF INDEPENDENT EXPENDITURES.
18 Within two days after the date of entering into a contract to make or
19 otherwise making an independent expenditure, the person making the
20 expenditure shall file with the board a report, on a form prescribed by
21 the board, providing the date and amount of the expenditure; what the
22 expenditure purchased; the name of the candidate supported or opposed;
23 the office sought by that candidate; and any other information which
24 the board believes will assist it in carrying out its responsibilities
25 under this chapter. The person entering into a contract to make or
26 otherwise making the independent expenditure shall also mail, within
27 two days of entering into the contract or otherwise making the
28 expenditure, a copy of the report to each candidate for the office or
29 offices for which the expenditure is made.

1 NEW SECTION. **Sec. 14.** ELECTION BOARD CREATED. There is hereby
2 created the state election board, which shall be composed of six
3 members appointed by the governor. Each member shall be appointed to
4 a permanently assigned position number on the board.

5 Initially, the legislative leader of each of the two largest
6 political parties in each house of the state legislature shall submit
7 a list of three nominees for appointment to the board. The governor
8 shall appoint one member of the board from each of the four lists
9 submitted by the four legislative leaders. These shall be positions
10 one through four. Appointment of a successor for a full term for any
11 one of these four positions or for filling a vacancy in any one of
12 these four positions shall be made from a list of three persons
13 nominated by the legislative leader of the same political party in the
14 legislature which nominated the person first appointed to the position.

15 Positions five and six shall be appointed by the governor to
16 represent the public interest generally. Any person or organization
17 may submit recommendations to the governor, which may be considered by
18 the governor in making the appointments to these two positions. A
19 person appointed to position five or six shall not also be an elected
20 public official nor may the person have held the office of an elected
21 public official in any of the six years prior to his or her
22 appointment.

23 The term of office of each member of the board is four years,
24 except that the term of office of one of the initial members shall be
25 one year, the term of two initial members shall be two years, and the
26 term of one other initial member shall be three years as designated by
27 the governor. The board shall notify the governor and any appropriate
28 nominating legislative leader regarding a vacancy created on the board
29 or the impending conclusion of a member's full term of office. The
30 governor shall make appointments to fill vacancies within thirty days

1 of their being created and shall make appointments to fill full terms
2 within thirty days of the expiration of a member's term.

3 Four members constitute a quorum for conducting the business of the
4 board.

5 The board is a class four group under the provisions of RCW
6 43.03.250 and members shall be compensated accordingly. In addition,
7 the members shall be reimbursed for travel expenses incurred while
8 engaged in the business of the board as provided in RCW 43.03.050 and
9 43.03.060.

10 NEW SECTION. **Sec. 15.** ELECTION BOARD DUTIES. The state election
11 board shall:

12 (1) Administer this chapter and adopt such rules and make such
13 orders as it finds appropriate for such administration;

14 (2) Enforce the provisions of this chapter and the rules adopted by
15 the board under this chapter, and administer oaths and affirmations,
16 issue subpoenas, and compel attendance, take evidence and require the
17 production of any books, papers, correspondence, memorandums, or other
18 records relevant or material for the purpose of any investigation under
19 this chapter;

20 (3) Develop and provide forms for the applications and reports
21 filed with the board under this chapter;

22 (4) Prepare and publish, jointly with the public disclosure
23 commission, a manual setting forth uniform methods of bookkeeping by
24 candidates who have accepted public funding;

25 (5) Compile and maintain a current list of all filed reports and
26 statements filed under this chapter;

27 (6) Upon complaint or upon its own motion, investigate possible
28 violations of this chapter and of rules adopted under this chapter;

1 (7) Employ staff, including an executive director who shall perform
2 such duties and have such powers as the board may prescribe. However,
3 the board may not delegate its authority to adopt, amend, or rescind
4 rules or to determine whether a violation of this chapter has occurred
5 or to assess penalties for such violation; and

6 (8) Prepare and publish such reports and technical studies as in
7 its judgment will tend to promote the purposes of this chapter.

8 The board may accept contributions, donations, or gifts from any
9 person or entity on behalf of the state election campaign account. The
10 money value of any such contribution, donation, or gift received by the
11 board shall be promptly deposited in the account.

12 NEW SECTION. **Sec. 16.** ELECTION BOARD PROVIDES CAMPAIGN FINANCING
13 PAYMENTS--APPEAL FROM ADVERSE BOARD DECISION. (1) The board shall
14 decide all applications for payment from the state campaign account.
15 Each application shall be decided in accordance with rules adopted by
16 the board, and the board's decision on the application shall be final
17 unless appealed as provided in subsection (2) of this section. The
18 board's review of applications, and all actions taken by the board on
19 applications, shall be exempt from chapter 34.05 RCW.

20 (2) Any person adversely affected by the board's decision and who
21 believes the decision to be unlawful may appeal to the superior court
22 of Thurston county by petition setting forth his or her reasons why the
23 decision is unlawful. A copy of the petition on appeal together with
24 a notice that an appeal has been taken shall be served upon the board,
25 upon the attorney general, and upon each candidate for the office
26 sought by the applicant. The decision of the superior court shall be
27 final. Such appeal shall be heard without costs to either party.

1 NEW SECTION. **Sec. 17.** CREATION OF STATE ELECTION CAMPAIGN
2 ACCOUNT. The state election campaign account is hereby created in the
3 custody of the state treasurer. All moneys appropriated to the board
4 for deposit in the account, all moneys received under RCW 29.15.050 or
5 29.18.050, and all earnings of investments of balances in the account
6 shall be credited to the account. Moneys may be disbursed from the
7 account only in the form of payments to eligible candidates as
8 authorized by this chapter. Only the board, or the board's executive
9 director if permitted to do so by rules adopted by the board, may
10 authorize disbursements from the account. The account is subject to
11 allotment procedures under chapter 43.88 RCW, but no appropriation is
12 required for disbursements.

13 NEW SECTION. **Sec. 18.** EXAMINATION AND AUDITS--RETURN OF UNSPENT
14 MATCHING FUNDS. (1) The public disclosure commission and the board
15 shall jointly develop and approve a program for auditing the campaign
16 accounts of candidates who accept public funding under this chapter.

17 (2) After each general election, the public disclosure commission
18 shall conduct, on behalf of the board, such examinations and audits of
19 the campaign accounts of eligible candidates and of authorized
20 committees as are sufficient to determine, among other things, whether
21 candidates have complied with the expenditure limits and other
22 conditions of eligibility and requirements of this chapter.

23 (3) The board shall review the examinations and audits conducted by
24 the commission on its behalf and may conduct any additional
25 investigations it believes to be warranted. The board shall require
26 candidates to return to the board any unexpended funds received by the
27 candidates under this chapter. The board may adopt exceptions to this
28 requirement for instances where debts are in dispute.

1 (4) Examinations and audits shall not be made by the commission
2 under this section with respect to an election cycle more than three
3 years after the cycle.

4 NEW SECTION. **Sec. 19.** VIOLATIONS. (1) It is a violation of this
5 chapter for any candidate to accept public payments under this chapter
6 which are in excess of the aggregate payments to which the candidate is
7 entitled.

8 (2) It is a violation of this chapter for any candidate or for any
9 officer, member, employee, or agent of a political committee for the
10 candidate:

11 (a) To use or transfer funds for any purpose prohibited by section
12 10(2) of this act;

13 (b) To make expenditures which he or she knows exceed any
14 expenditure limitation applicable under section 4 of this act;

15 (c) To provide false information under section 3(1) or (2) of this
16 act; or

17 (d) To violate the agreement under section 3(1)(b) of this act.

18 (3) It is a violation of this chapter for any person:

19 (a) To furnish to the board or to the public disclosure commission
20 under this chapter any evidence, books, or information (including any
21 certification, verification, notice, or report), which is false,
22 fictitious, or fraudulent, or to include in any evidence, books, or
23 information so furnished any misrepresentation of a material fact, or
24 to falsify or conceal any evidence, books, or information relevant to
25 a payment by the board or an examination or audit by the board or the
26 commission under this chapter; or

27 (b) To fail to furnish to the board or the commission any records,
28 books, or information requested by it for purposes of this chapter.

1 (4) It is a violation of this chapter for any person to accept any
2 payment if the person knows, or has reason to know, that the payment is
3 in violation of section 10(2) of this act.

4 NEW SECTION. **Sec. 20.** BOARD TO REPORT TO GOVERNOR AND
5 LEGISLATURE--RULE-MAKING POWERS. (1) The board shall, as soon as
6 practicable after each election, submit a full report to the governor
7 and the legislature setting forth:

8 (a) The expenditures shown in such detail as the board determines
9 appropriate made by each eligible candidate and the authorized
10 committee of each candidate;

11 (b) The amounts paid by the board under section 12 of this act to
12 each eligible candidate;

13 (c) The amount of any payments returned under section 18 of this
14 act; and

15 (d) The balance in the state campaign account.

16 (2) The board is authorized to prescribe such rules in accordance
17 with chapter 34.05 RCW, to conduct such examinations and
18 investigations, and to require the keeping and submission of such
19 books, records, and information, as it deems necessary to carry out the
20 functions and duties imposed on it by this chapter.

21 CAMPAIGN CONTRIBUTION LIMITATIONS

22 NEW SECTION. **Sec. 21.** DEFINITIONS--CAMPAIGN CONTRIBUTION
23 LIMITATIONS. Unless the context clearly requires otherwise, the
24 definitions in section 2 of this act apply to this subchapter. Unless
25 the context clearly requires otherwise, the definitions in RCW
26 42.17.020 also apply to this subchapter except as they are modified by
27 the definitions in section 2 of this act.

1 For the purposes of sections 21 through 25 of this act,
2 "contribution" does not include a loan, gift, payment, pledge, or
3 transfer of anything of value owned by the candidate which is made by
4 the candidate to the candidate's own authorized political committee.

5 NEW SECTION. **Sec. 22.** CAMPAIGN CONTRIBUTION LIMITS. (1) No
6 person, other than a multicandidate political committee or a bona fide
7 political party or a caucus of the state legislature, may make
8 contributions during an election cycle which in the aggregate exceed:
9 (a) Two thousand dollars to any candidate for the state senate; (b) one
10 thousand dollars to any candidate for the state house of
11 representatives; or (c) five thousand dollars to any candidate for any
12 state executive office. No candidate and no authorized committee of a
13 candidate may accept contributions from a person which exceed the
14 contribution limitations provided by this subsection for that person.

15 (2) No person, other than a multicandidate political committee or
16 a bona fide political party or a caucus of the state legislature, may
17 make contributions during a recall campaign which in the aggregate
18 exceed: (a) One thousand dollars to any state legislator against whom
19 recall charges have been filed or to any political committee having the
20 expectation of making expenditures in support of the recall of any
21 state legislator; or (b) five thousand dollars to any state executive
22 officer against whom recall charges have been filed or to any political
23 committee having the expectation of making expenditures in support of
24 the recall of such a state executive officer. 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 person which exceed the contribution
29 limitation provided by this subsection for that person.

1 (3) No multicandidate political committee may make contributions
2 during an election cycle which in the aggregate exceed: (a) Six
3 thousand dollars to any candidate for the state senate; (b) three
4 thousand dollars to any candidate for the state house of
5 representatives; or (c) seven thousand five hundred dollars to any
6 candidate for any state executive office. No candidate and no
7 authorized committee of a candidate may accept contributions from a
8 multicandidate political committee which exceed the contribution
9 limitation provided by this subsection for that multicandidate
10 political committee.

11 (4) No multicandidate political committee may make contributions
12 during a recall campaign which in the aggregate exceed: (a) Three
13 thousand dollars to any state legislator against whom recall charges
14 have been filed or to any political committee having the expectation of
15 making expenditures in support of the recall of any state legislator;
16 or (b) seven thousand five hundred dollars to any state executive
17 officer against whom recall charges have been filed or to any political
18 committee having the expectation of making expenditures in support of
19 the recall of such a state executive officer. No state official
20 against whom recall charges have been filed, no authorized committee of
21 such an official, and no political committee having the expectation of
22 making expenditures in support of the recall of any state official may
23 accept contributions from a multicandidate political committee which
24 exceed the contribution limitation provided by this subsection for that
25 multicandidate political committee.

26 (5) No bona fide political party and no caucus of the state
27 legislature may make contributions during an election cycle which in
28 the aggregate exceed: (a) Ten thousand dollars to any candidate for
29 the state senate; (b) five thousand dollars to any candidate for the
30 state house of representatives; or (c) ten thousand dollars to any

1 candidate for any state executive office. No candidate and no
2 authorized committee of a candidate may accept contributions from a
3 bona fide political party or from a caucus of the state legislature
4 which exceed the contribution limitation provided by this subsection
5 for that party or caucus.

6 (6) No bona fide political party and no caucus of the state
7 legislature may make contributions during a recall campaign which in
8 the aggregate exceed: (a) Five thousand dollars to any state
9 legislator against whom recall charges have been filed or to any
10 political committee having the expectation of making expenditures in
11 support of the recall of any state legislator; or (b) ten thousand
12 dollars to any state executive officer against whom recall charges have
13 been filed or to any political committee having the expectation of
14 making expenditures in support of the recall of such a state executive
15 officer. No state official against whom recall charges have been
16 filed, no authorized committee of such an official, and no political
17 committee having the expectation of making expenditures in support of
18 the recall of any state official may accept contributions from a bona
19 fide political party or from a caucus of the state legislature which
20 exceed the contribution limitation provided by this subsection for that
21 party or caucus.

22 (7) For the purposes of this subchapter, a contribution to the
23 authorized political committee of a candidate, or of a state official
24 against whom recall charges have been filed, shall be considered to be
25 a contribution to the candidate or state official.

26 (8) Any contribution received within the twelve-month period
27 following a general election for a state office or for a recall
28 election concerning a state office shall be considered to be a
29 contribution during the election cycle ending with that election or
30 during that recall campaign if the contribution is used to pay any debt

1 or obligation incurred to influence the outcome of that election or the
2 primary conducted for that election or of that recall campaign.

3 (9)(a) The contributions allowed by subsection (2) of this section
4 are in addition to those allowed by subsection (1) of this section, the
5 contributions allowed by subsection (4) of this section are in addition
6 to those allowed by subsection (3) of this section, and the
7 contributions allowed by subsection (6) of this section are in addition
8 to those allowed by subsection (5) of this section.

9 (b) The provisions of this subchapter apply to a special election
10 conducted to fill a vacancy in a state office. However, the
11 contributions made to a candidate or received by a candidate for a
12 primary or special election conducted to fill such a vacancy shall not
13 be counted toward any of the limitations which apply to the candidate
14 or to contributions made to the candidate under this subchapter for any
15 other primary or election.

16 (10) No state legislator, or authorized political committee for
17 such legislator, may, during the course of a regular session of the
18 legislature, accept a campaign contribution for a state legislative
19 office from any person. The provisions of this subsection do not apply
20 during a recall campaign to a state legislator against whom recall
21 charges have been filed pursuant to RCW 29.82.015.

22 NEW SECTION. **Sec. 23.** CONTRIBUTIONS BY CHILDREN. Children under
23 eighteen years of age may make contributions to the extent authorized
24 in section 22 of this act only if:

25 (1) The decision to contribute is made knowingly and voluntarily by
26 the child;

27 (2) The funds, goods, or services contributed are owned or
28 controlled exclusively by the child, such as income earned by the
29 child, the proceeds of a trust for which the child is the beneficiary,

1 or a savings account opened and maintained exclusively in the child's
2 name; and

3 (3) The contribution is not made from the proceeds of a gift, the
4 purpose of which was to provide funds to be contributed, or is not in
5 any other way controlled by another individual.

6 NEW SECTION. **Sec. 24.** RULES FOR DETERMINING CONTRIBUTOR. (1) For
7 the purposes of the contribution limitations in section 22 of this act,
8 all contributions by any person who is controlled by any other person
9 shall be considered to have been made by such other person. The
10 provisions of this section shall not be construed as applying to the
11 relationship between an individual and the spouse of the individual or
12 to the relationship between a bona fide political party and any
13 district or county organization of that party or a caucus of the state
14 legislature of the members of that party.

15 (2) Without in any manner limiting its scope and effect, the
16 general rule under subsection (1) of this section or under section
17 11(4)(c) of this act means that:

18 (a) Any contribution by a subsidiary, branch, division, department,
19 or local unit of any association shall be considered to have been made
20 by the association; and

21 (b) Any contribution by a political committee controlled by any
22 person shall be considered to be a contribution by that person.

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

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

1 (b) Provisions of bylaws, articles of incorporation, charters,
2 constitutions, or other documents by which one person has the
3 authority, power, or ability to direct another;

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

7 (d) Similar patterns of contributions; and

8 (e) The extent of the transfer of funds between the persons.

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

26 NEW SECTION. **Sec. 26.** A new section is added to chapter 42.17 RCW
27 to read as follows:

1 RETURNED CONTRIBUTIONS NOT COUNTED. A contribution received by a
2 candidate or political committee which is returned to the contributor
3 within five days of the date on which it is received by the candidate
4 or committee is not a contribution for the purposes of this chapter.

5 NEW SECTION. **Sec. 27.** PENALTIES FOR VIOLATION OF EXPENDITURE
6 LIMIT CHAPTER. The board may impose a civil fine on any person who
7 violates any provision of this chapter or any rule adopted under this
8 chapter. The fine shall not exceed ten thousand dollars, except for
9 the following violations for which the penalty shall be as follows:

10 (1) For violations of section 19(1) of this act, up to the greater
11 of ten thousand dollars or the amount in excess of the aggregate
12 payments to which the candidate is entitled;

13 (2) For violations of section 19(2)(a) of this act, up to the
14 greater of ten thousand dollars or the amount used or transferred for
15 a prohibited purpose;

16 (3) For violations of section 19(2)(b) of this act, up to the
17 greater of ten thousand dollars or the amount of the expenditures in
18 excess of the applicable expenditure limitation; and

19 (4) For violations of section 19(4) of this act, up to the greater
20 of ten thousand dollars or the amount of the payment in violation of
21 section 10(2) of this act.

22 **Sec. 28.** RCW 29.15.050 and 1990 c 59 s 85 are each amended to read
23 as follows:

24 (1) A filing fee of one dollar shall accompany each declaration of
25 candidacy for precinct committee officer; a filing fee of ten dollars
26 shall accompany the declaration of candidacy for any office with a
27 fixed annual salary of one thousand dollars or less; except as provided
28 in subsection (2) of this section, a filing fee equal to one percent of

1 the annual salary of the office at the time of filing shall accompany
2 the declaration of candidacy for any office with a fixed annual salary
3 of more than one thousand dollars per annum. No filing fee need
4 accompany a declaration of candidacy for any office for which
5 compensation is on a per diem or per meeting attended basis, nor for
6 the filing of any declaration of candidacy by a write-in candidate.

7 (2) The filing fee for an office of the legislative or executive
8 branch of state government is equal to one and one-half percent of the
9 annual salary of the office at the time of filing and shall accompany
10 the declaration of candidacy for the office. Of each such fee: A sum
11 equal to one-half of one percent of the annual salary for the office
12 shall be promptly transmitted to the state election board for deposit
13 in the state election campaign account created in section 17 of this
14 act; and a sum equal to one percent of the annual salary for the office
15 shall be deposited as required under subsection (4) of this section.

16 (3) A candidate who lacks sufficient assets or income at the time
17 of filing to pay the filing fee required by this section shall submit
18 with his or her declaration of candidacy a nominating petition. The
19 petition shall contain not less than a number of signatures of
20 registered voters equal to the number of dollars of the filing fee.
21 The signatures shall be of voters registered to vote within the
22 jurisdiction of the office for which the candidate is filing.

23 (4) When the candidacy is for:

24 ((+1)) (a) A legislative or judicial office that includes
25 territory from more than one county, the fee shall be paid to the
26 secretary of state for equal division between the treasuries of the
27 counties comprising the district.

28 ((+2)) (b) A city or town office, the fee shall be paid to the
29 county auditor who shall transmit it to the city or town clerk for
30 deposit in the city or town treasury.

1 **Sec. 29.** RCW 29.18.050 and 1987 c 295 s 2 are each amended to read
2 as follows:

3 (1) A filing fee of one dollar shall accompany each declaration of
4 candidacy for precinct committee officer; a filing fee of ten dollars
5 shall accompany the declaration of candidacy for any office with an
6 annual salary of one thousand dollars or less; except as provided in
7 subsection (2) of this section, a filing fee equal to one percent of
8 the annual salary shall accompany the declaration of candidacy for any
9 office with an annual salary of more than one thousand dollars per
10 annum.

11 (2) The filing fee for an office of the legislative or executive
12 branch of state government is equal to one and one-half percent of the
13 annual salary of the office at the time of filing and shall accompany
14 the declaration of candidacy for the office. Of each such fee: A sum
15 equal to one-half of one percent of the annual salary for the office
16 shall be promptly transmitted to the state election board for deposit
17 in the state election campaign account created in section 17 of this
18 act; and a sum equal to one percent of the annual salary for the office
19 shall be deposited as required under subsection (4) of this section.

20 (3) A candidate who lacks sufficient assets or income at the time
21 of filing to pay the filing fee required by this section shall submit
22 with his or her declaration of candidacy a nominating petition. The
23 petition shall contain not less than a number of signatures of
24 registered voters equal to the number of dollars of the filing fee.
25 The signatures shall be of voters registered to vote within the
26 jurisdiction of the office for which the candidate is filing.

27 (4) When the candidacy is for:

28 (~~(1)~~) (a) A federal or state-wide office, the fee shall be paid
29 to the secretary of state for deposit in the state treasury.

1 (~~(2)~~) (b) A legislative or judicial office that includes
2 territory from more than one county, the fee shall be paid to the
3 secretary of state for equal division between the treasuries of the
4 counties comprising the district.

5 (~~(3)~~) (c) A county office or a legislative, judicial, or district
6 office that includes territory from a single county, the fee shall be
7 paid to the county auditor for deposit in the county treasury.

8 (~~(4)~~) (d) A city or town office, the fee shall be paid to the
9 county auditor who shall transmit it to the city or town clerk for
10 deposit in the city or town treasury.

11 NEW SECTION. Sec. 30. A new section is added to chapter 42.17 RCW
12 to read as follows:

13 MAILING EXPENSES. The house of representatives and senate shall
14 specifically limit expenditures per member for the total cost of
15 mailings, including but not limited to production costs, printing
16 costs, and postage.

17 **Sec. 31.** RCW 42.17.095 and 1982 c 147 s 8 are each amended to read
18 as follows:

19 (1) Except as provided in subsection (2) of this section, the
20 surplus funds of a candidate, or of a political committee supporting or
21 opposing a candidate, may only be disposed of in any one or more of the
22 following ways:

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

25 (~~(2)~~) (b) Transfer the surplus to the candidate's personal
26 account as reimbursement for lost earnings incurred as a result of that
27 candidate's election campaign. Such lost earnings shall be verifiable
28 as unpaid salary or, when the candidate is not salaried, as an amount

1 not to exceed income received by the candidate for services rendered
2 during an appropriate, corresponding time period. All lost earnings
3 incurred shall be documented and a record thereof shall be maintained
4 by the candidate or the candidate's political committee. The committee
5 shall include a copy of such record when its expenditure for such
6 reimbursement is reported pursuant to RCW 42.17.090;

7 ~~((3))~~ (c) Transfer the surplus to ~~((one or more candidates or~~
8 ~~to))~~ a political ~~((committee or))~~ party;

9 ~~((4))~~ (d) Donate the surplus to a charitable organization
10 registered in accordance with chapter 19.09 RCW;

11 ~~((5))~~ (e) Transmit the surplus to the state treasurer for deposit
12 in the general fund; or

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

24 (g) No candidate or authorized committee may transfer funds to any
25 other candidate or political committee.

26 (2) Campaign funds and surplus funds may be voluntarily contributed
27 or donated to the state election board for deposit in the state
28 election campaign account.

1 **Sec. 32.** RCW 42.17.390 and 1973 c 1 s 39 are each amended to read
2 as follows:

3 PENALTIES FOR VIOLATION OF CONTRIBUTION LIMITS. (1) One or more of
4 the following civil remedies and sanctions may be imposed by court
5 order in addition to any other remedies provided by law:

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

14 (b) If any lobbyist or sponsor of any grass roots lobbying campaign
15 violates any of the provisions of this chapter, his or her registration
16 may be revoked or suspended and he or she may be enjoined from
17 receiving compensation or making expenditures for lobbying: PROVIDED,
18 HOWEVER, That imposition of such sanction shall not excuse said
19 lobbyist from filing statements and reports required by this chapter.

20 (c) Any person who violates any of the provisions of this chapter
21 may be subject to a civil penalty of not more than ten thousand dollars
22 for each such violation. However, for violations of section 22 of this
23 act, the penalty shall be up to the greater of ten thousand dollars or
24 the amount of the contribution illegally made or accepted.

25 (d) Any person who fails to file a properly completed statement or
26 report within the time required by this chapter may be subject to a
27 civil penalty of ten dollars per day for each day each such delinquency
28 continues.

1 (e) Any person who fails to report a contribution or expenditure
2 may be subject to a civil penalty equivalent to the amount he or she
3 failed to report.

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

7 NEW SECTION. **Sec. 33.** A new section is added to chapter 42.17 RCW
8 to read as follows:

9 COMMISSION TO ADOPT FEE SCHEDULE. (1) The commission is authorized
10 to adopt a fee schedule for the filing of reports, statements, and
11 registrations with the commission. The schedule shall be adequate to
12 offset a portion of the commission's appropriation as such portion is
13 designated in the legislature's operating budget for the commission.
14 The commission is vested with broad authority to set fees and to adopt
15 rules that facilitate their payment. The commission shall not impose
16 any fee on the filing of reports of contribution deposits required
17 under RCW 42.17.080(3).

18 (2) A report shall not be accepted by the commission or be
19 considered filed under this chapter unless the required fee is included
20 along with the report. However, the commission may authorize persons
21 filing multiple reports to pay an amount or amounts which will cover a
22 number of reports or to maintain an account with the commission which
23 will be used to pay the required fees.

24 (3) The commission shall deposit the fee amounts collected under
25 this section into the state election campaign account created in
26 section 17 of this act.

1 NEW SECTION. **Sec. 34.** A new section is added to chapter 42.17 RCW
2 to read as follows:

3 COMMISSION TO ASSIST BOARD. The commission shall conduct audits
4 and examinations as required by the state election board under chapter
5 42. ... RCW (sections 2 through 20, 27, and 42 of this act). The
6 commission shall also prepare and publish, jointly with the election
7 board, a manual setting forth uniform methods of bookkeeping by
8 candidates who have accepted public funding under chapter 42.--- RCW
9 (sections 2 through 20, 27, and 42 of this act).

10 **Sec. 35.** RCW 43.03.028 and 1988 c 167 s 9 are each amended to read
11 as follows:

12 SALARY OF EXECUTIVE DIRECTOR OF STATE ELECTION BOARD. (1) There is
13 hereby created a state committee on agency officials' salaries to
14 consist of seven members, or their designees, as follows: The
15 president of the University of Puget Sound; the chairperson of the
16 council of presidents of the state's four-year institutions of higher
17 education; the chairperson of the State Personnel Board; the president
18 of the Association of Washington Business; the president of the Pacific
19 Northwest Personnel Managers' Association; the president of the
20 Washington State Bar Association; and the president of the Washington
21 State Labor Council. If any of the titles or positions mentioned in
22 this subsection are changed or abolished, any person occupying an
23 equivalent or like position shall be qualified for appointment by the
24 governor to membership upon the committee.

25 (2) The committee shall study the duties and salaries of the
26 directors of the several departments and the members of the several
27 boards and commissions of state government, who are subject to
28 appointment by the governor or whose salaries are fixed by the

1 governor, and of the chief executive officers of the following agencies
2 of state government:

3 The arts commission; the human rights commission; the board of
4 accountancy; the board of pharmacy; the capitol historical association
5 and museum; the eastern Washington historical society; the Washington
6 state historical society; the interagency committee for outdoor
7 recreation; the criminal justice training commission; the department of
8 personnel; the state election board; the state finance committee; the
9 state library; the traffic safety commission; the horse racing
10 commission; the advisory council on vocational education; the public
11 disclosure commission; the hospital commission; the state conservation
12 commission; the commission on Hispanic affairs; the commission on
13 Asian-American affairs; the state board for volunteer ((firemen)) fire
14 fighters; the transportation improvement board; the public
15 ((employees)) employment relations commission; the forest practices
16 appeals board; and the energy facilities site evaluation council.

17 The committee shall report to the governor or the chairperson of
18 the appropriate salary fixing authority at least once in each fiscal
19 biennium on such date as the governor may designate, but not later than
20 seventy-five days prior to the convening of each regular session of the
21 legislature during an odd-numbered year, its recommendations for the
22 salaries to be fixed for each position.

23 (3) Committee members shall be reimbursed by the department of
24 personnel for travel expenses under RCW 43.03.050 and 43.03.060.

25 NEW SECTION. Sec. 36. A new section is added to chapter 42.17 RCW
26 under the subchapter heading "political advertising" to read as
27 follows:

28 NEWSPAPER, TELEVISION, AND RADIO ACCESS. Local newspapers,
29 television stations, and radio stations shall provide free and equal

1 advertising to all candidates. The amount of advertisements under this
2 section shall be determined by the state election board.

3 NEW SECTION. **Sec. 37.** A new section is added to chapter 49.44 RCW
4 to read as follows:

5 It is unlawful for an employer to force an employee into an unpaid
6 leave of absence solely because the employee is running for an elected
7 office.

8 NEW SECTION. **Sec. 38.** CONTRIBUTIONS BEFORE EFFECTIVE DATE NOT
9 SUBJECT TO CONTRIBUTION LIMITS. Contributions made and received before
10 the effective date of this section shall not be considered to be
11 contributions under the provisions of sections 21 through 26 of this
12 act and the 1991 amendments to RCW 42.17.390 contained in section 32,
13 chapter .., Laws of 1991 (section 32 of this act).

14 NEW SECTION. **Sec. 39.** CONTRIBUTIONS BEFORE EFFECTIVE DATE NOT
15 SUBJECT TO CAMPAIGN FINANCING PROVISIONS. Contributions received
16 before the effective date of this section shall not be considered to be
17 contributions under the provisions of chapter 42.--- RCW (sections 2
18 through 20, 27, and 42 of this act).

19 NEW SECTION. **Sec. 40.** A new section is added to chapter 34.05 RCW
20 to read as follows:

21 ADMINISTRATIVE PROCEDURE ACT NOT APPLICABLE. This chapter shall
22 not apply to any action taken by the state election board under section
23 16 of this act on applications for payments from the state election
24 campaign account.

25 NEW SECTION. **Sec. 41.** A new section is added to chapter 29.80

1 RCW to read as follows:

2 CANDIDATES' PAMPHLET NOTICE. The secretary of state shall secure
3 from the state election board a list of the names of candidates for
4 state legislative and state executive offices who have agreed to limit
5 their expenditures under section 3 of this act. The secretary shall
6 add a notice in the candidates' pamphlet following the statement of
7 each person on that list indicating that the candidate has so agreed.
8 The secretary shall also prominently display the good campaign
9 practices seal specified in section 3(5) of this act next to the
10 statement of each person on that list. The secretary shall use the
11 most current list available from the board on the last date on which
12 the secretary will accept statements for publication.

13 NEW SECTION. **Sec. 42.** BOARD TO ESTIMATE PUBLIC FUNDS NEEDED FOR
14 MATCHING FUNDS. The state election board shall, on an annual basis,
15 estimate the funding needed to provide public matching moneys for
16 election campaigns under this chapter. Each annual estimate shall
17 identify funding needs for each of the successive four years. The
18 board shall transmit its estimate to the legislature on December 20th
19 of each year.

20 NEW SECTION. **Sec. 43.** SEVERABILITY CLAUSE. If any provision of
21 this act or its application to any person or circumstance is held
22 invalid, the remainder of the act or the application of the provision
23 to other persons or circumstances is not affected.

24 NEW SECTION. **Sec. 44.** CODIFICATION DIRECTIONS. Sections 2
25 through 20, 27, and 42 of this act shall constitute a new chapter in
26 Title 42 RCW.

1 NEW SECTION. **Sec. 45.** CODIFICATION DIRECTIONS. Sections 21
2 through 25 of this act are each added to chapter 42.17 RCW as a
3 subchapter and codified with the subchapter heading of "CAMPAIGN
4 CONTRIBUTION LIMITATIONS."

5 NEW SECTION. **Sec. 46.** SECTION HEADINGS. Section headings as used
6 in this act do not constitute any part of the law.

7 NEW SECTION. **Sec. 47.** Section 28 of this act shall take effect
8 July 1, 1992.

9 NEW SECTION. **Sec. 48.** Section 29 of this act shall expire July 1,
10 1992.