

FINAL BILL REPORT

I 134

C 2 L 93

Brief Description: Regulation of political contributions and campaign expenditures.

SPONSORS: People of the State of Washington

BACKGROUND:

Under the public disclosure statutes, originally enacted by initiative in 1972, candidates for public office in the state of Washington are required to make detailed reports of the moneys they raise to fund their campaigns. There are no limitations, however, on who may contribute or on the amount of contributions. Unlimited contributions may be received from individuals, political action committees, labor organizations, associations, corporations, and political party organizations whether located in or out of the state.

In response to public concerns about the escalating costs of political campaigns and a perceived imbalance in influence based upon campaign contributions, two major bills were introduced in the Legislature during the 1992 Regular Session. Neither bill was enacted and initiative petitions were subsequently circulated for measures which were similar to the two failed bills. Only Initiative 134 received sufficient petition signatures to qualify for the ballot and was passed by the voters in the November, 1992 election.

SUMMARY:

Definitions of terminology are added, supplementing and overlapping existing definitions in the Public Disclosure Act. Some of the terms defined include bona fide political party, contribution, election cycle and independent expenditure. The existing definition of public office fund is repealed.

No person, except a bona fide political party or legislative caucus, may contribute more than \$500 to a candidate for state legislative office or \$1,000 to a candidate for statewide office for each recall, primary or election.

No governing body of a state political organization or legislative caucus may contribute to a candidate more than \$.50 per registered voter in the candidate's jurisdiction and no county central committee or legislative district committee may contribute more than \$.25 per registered voter in a candidate's jurisdiction.

No person other than an individual, a bona fide political party or a legislative caucus may make contributions in excess

of \$500 to a legislative caucus, or in excess of \$2,500 to a bona fide political party, during any calendar year.

The dollar limits on contributions shall be adjusted at the beginning of each even-numbered year by the public disclosure commission to reflect any changes in an inflationary index.

No county central committee or legislative district committee may make contributions to a candidate if the committee is outside of the jurisdiction of the candidate.

Contributions of certain family members and of controlled entities are attributed to the controlling person or parent. No employer or labor organization may increase the salary of an officer or employee with the intention that the increase be contributed to support or oppose a candidate, political party or political committee. No portion of an employee's pay may be withheld or diverted for political contributions without the written consent of the employee. A written consent is valid for no more than 12 months.

No state official may solicit a contribution from an applicant for employment or employee in the official's agency and no official may provide an advantage or disadvantage regarding an application for or conditions of employment in the classified civil service based on the employee's or applicant's contribution to a political party or committee. The statute authorizing automatic payroll deductions from state employees for political committees is repealed.

Shop fees paid by an individual who is not a member of a labor organization may not be used to influence an election or operate a political committee unless "affirmatively authorized" by the individual.

Loans, other than secured or guaranteed loans made at market rates from a commercial lender, are considered contributions.

A contribution solicited or received by a candidate committee may not be used to further the candidacy of the individual for any other office than that set forth in the statement of organization unless the contributor gives written approval.

The authority to dispose of surplus campaign funds by giving them to other candidates or political committees, using them for future election campaigns for a different office, using them for political or community activity, or using them for nonreimbursed public office related expenses is repealed. Authority is added to give surplus funds to a caucus of the state legislature.

Persons making independent expenditures for political advertising are required to make explicit disclosures of their identity in the advertising.

Various provisions are added regarding gifts, penalties, audits and reports.

Effective: December 3, 1992