

SENATE BILL REPORT

SB 6331

AS REPORTED BY COMMITTEE ON GOVERNMENT OPERATIONS,
FEBRUARY 4, 1994

Brief Description: Limiting political contributions of municipal bond dealers.

SPONSORS: Senators Snyder, Haugen, Gaspard, Winsley, Erwin, Franklin, Moore, Wojahn, M. Rasmussen, Loveland, West, Spanel and Ludwig; by request of State Treasurer

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 6331 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, McCaslin, Oke, Owen and Winsley.

Staff: Rod McAulay (786-7754)

Hearing Dates: January 31, 1994; February 4, 1994

BACKGROUND:

Initiative 134, passed in November 1992, imposes limitations on contributions from individuals and corporations to political campaigns. The limits are \$500 per election cycle to candidates for offices other than statewide offices, and \$1,000 per election cycle to candidates for statewide offices. These limits apply to contributions made by municipal bond dealers to members of the State Finance Committee who may be candidates for public office, or to any candidate for the office of governor, lieutenant governor, or state treasurer. It is believed that any contribution from municipal bond dealers to these persons should be prohibited.

SUMMARY:

It is a gross misdemeanor for a municipal bond dealer, its professionals, or any political action committee controlled by municipal bond dealers to pay or agree to pay money or anything of value to assist a political campaign of a member of the State Finance Committee or to assist a political campaign of any person for the offices of governor, lieutenant governor, or state treasurer. It is also a gross misdemeanor to solicit or knowingly receive such assistance.

EFFECT OF PROPOSED SUBSTITUTE:

The scope of the act is extended to include municipal bond brokers and fiscal agents.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Will put in law a prohibition which has been voluntarily accepted in the industry. Makes it very clear that contributions are prohibited.

TESTIMONY AGAINST: None

TESTIFIED: Dan Grimm, State Treasurer