

SENATE BILL REPORT

SB 6414

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

Brief Description: Restricting campaign financing for the office of state treasurer.

SPONSORS: Senators Haugen, Oke and Winsley; by request of State Treasurer

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 6414 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, which was passed in November, 1992, imposed limitations on contributions from individuals, partnerships and corporations to political campaigns. The limitations are \$500 during any election cycle to any candidate for office other than statewide office, and \$1,000 per election cycle to any candidate for statewide office. These limitations apply to any general partner of the State Investment Board and any money manager doing business with the State Investment Board. It is believed that general partners of the State Investment Board and money managers doing business with the State Investment Board should not be permitted to make any contribution to a candidate for the office of state treasurer.

Within the office of the state treasurer, the assistant treasurer, deputy treasurer, legal counsel and investment officer are not expressly required to file financial disclosure statements with the Public Disclosure Commission.

SUMMARY:

A general partner of the State Investment Board and any active money manager doing business with the State Investment Board may not contribute to any candidate for the office of state treasurer unless their business with the state was obtained through a formal bid process.

The assistant treasurer, deputy treasurer, legal counsel and investment officer in the office of state treasurer are expressly made subject to the financial reporting requirements of the Public Disclosure Commission.

EFFECT OF PROPOSED SUBSTITUTE:

It is clarified that a general partner of the State Investment Board includes the general partner of a limited partnership and a managing partner of a regular partnership in which the board has invested. Technical errors are corrected.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Addresses public concerns about the decisions of the State Investment Board. Assures full disclosure to the Public Disclosure Commission by key employees in the State Treasurer's Office.

TESTIMONY AGAINST: None

TESTIFIED: Dan Grimm, State Treasurer