S-0724.7		

## SENATE BILL 5776

\_\_\_\_\_

State of Washington 55th Legislature 1997 Regular Session

By Senators McCaslin, Swecker, Anderson, Schow, Deccio, Morton and Hochstatter

Read first time 02/12/97. Referred to Committee on Government Operations.

- 1 AN ACT Relating to public disclosure; amending RCW 42.17.020,
- 2 42.17.105, 42.17.350, 42.17.380, 42.17.420, 42.17.640, 42.17.660, and
- 3 42.17.680; reenacting and amending RCW 43.10.067; adding a new section
- 4 to chapter 42.17 RCW; and repealing RCW 42.17.172.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 42.17.020 and 1995 c 397 s 1 are each amended to read 7 as follows:
- 8 (1) "Agency" includes all state agencies and all local agencies.
- 9 "State agency" includes every state office, department, division,
- 10 bureau, board, commission, or other state agency. "Local agency"
- 11 includes every county, city, town, municipal corporation, quasi-
- 12 municipal corporation, or special purpose district, or any office,
- 13 department, division, bureau, board, commission, or agency thereof, or
- 14 other local public agency.
- 15 (2) "Authorized committee" means the political committee authorized
- 16 by a candidate, or by the public official against whom recall charges
- 17 have been filed, to accept contributions or make expenditures on behalf
- 18 of the candidate or public official.

p. 1 SB 5776

- 1 (3) "Ballot proposition" means any "measure" as defined by RCW 29.01.110, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of the state or any municipal corporation, political subdivision, or other voting constituency from and after the time when the proposition has been initially filed with the appropriate election officer of that constituency prior to its circulation for signatures.
- 8 (4) "Benefit" means a commercial, proprietary, financial, economic, 9 or monetary advantage, or the avoidance of a commercial, proprietary, 10 financial, economic, or monetary disadvantage.
  - (5) "Bona fide political party" means:

- 12 (a) An organization that has filed a valid certificate of 13 nomination with the secretary of state under chapter 29.24 RCW;
- (b) The governing body of the state organization of a major political party, as defined in RCW 29.01.090, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or
- 18 (c) The county central committee or legislative district committee 19 of a major political party. There may be only one legislative district 20 committee for each party in each legislative district.
- 21 (6) "Depository" means a bank designated by a candidate or 22 political committee pursuant to RCW 42.17.050.
- (7) "Treasurer" and "deputy treasurer" mean the individuals appointed by a candidate or political committee, pursuant to RCW 42.17.050, to perform the duties specified in that section.
- 26 (8) "Candidate" means any individual who seeks nomination for 27 election or election to public office. An individual seeks nomination 28 or election when he or she first:
- 29 (a) Receives contributions or makes expenditures or reserves space 30 or facilities with intent to promote his or her candidacy for office;
- 31 (b) Announces publicly or files for office;
- 32 (c) Purchases commercial advertising space or broadcast time to 33 promote his or her candidacy; or
- (d) Gives his or her consent to another person to take on behalf of the individual any of the actions in (a) or (c) of this subsection.
- 36 (9) "Caucus political committee" means a political committee 37 organized and maintained by the members of a major political party in 38 the state senate or state house of representatives.

- (10) "Commercial advertiser" means any person who sells the service of communicating messages or producing printed material for broadcast or distribution to the general public or segments of the general public whether through the use of newspapers, magazines, television and radio stations, billboard companies, direct mail advertising companies, printing companies, or otherwise.
  - (11) "Commission" means the agency established under RCW 42.17.350.
- 8 (12) "Compensation" unless the context requires a narrower meaning,
  9 includes payment in any form for real or personal property or services
  10 of any kind: PROVIDED, That for the purpose of compliance with RCW
  11 42.17.241, the term "compensation" shall not include per diem
  12 allowances or other payments made by a governmental entity to reimburse
  13 a public official for expenses incurred while the official is engaged
  14 in the official business of the governmental entity.
- 15 (13) "Continuing political committee" means a political committee 16 that is an organization of continuing existence not established in 17 anticipation of any particular election campaign.
- 18 (14)(a) "Contribution" includes:

36

- 19 (i) A loan, gift, deposit, subscription, forgiveness of 20 indebtedness, donation, advance, pledge, payment, transfer of funds 21 between political committees, or anything of value, including personal 22 and professional services for less than full consideration;
- (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political committee, or their agents;
- (iii) The financing by a person of the dissemination, distribution, or republication, in whole or in part, of broadcast, written, graphic, or other form of political advertising prepared by a candidate, a political committee, or its authorized agent;
- (iv) Sums paid for tickets to fund-raising events such as dinners and parties, except for the actual cost of the consumables furnished at the event.
- 33 (b) "Contribution" does not include:
- (i) Standard interest on money deposited in a political committee'saccount;
  - (ii) Ordinary home hospitality;
- (iii) A contribution received by a candidate or political committee that is returned to the contributor within five business days of the date on which it is received by the candidate or political committee;

p. 3 SB 5776

- (iv) A news item, feature, commentary, or editorial in a regularly 1 scheduled news medium that is of primary interest to the general 2 public, that is in a news medium controlled by a person whose business 3 4 is that news medium, and that is not controlled by a candidate or a 5 political committee;
- (v) An internal political communication primarily limited to the 6 7 members of or contributors to a political party organization or 8 political committee, or to the officers, management staff, stockholders of a corporation or similar enterprise, or to the members 9 of a labor organization or other membership organization;
- (vi) The rendering of personal services of the sort commonly 11 performed by volunteer campaign workers, or incidental expenses 12 13 personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," 14 15 for the purposes of this section, means services or labor for which the 16 individual is not compensated by any person;
  - (vii) Messages in the form of reader boards, banners, or yard or window signs displayed on a person's own property or property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made must be reported as an inkind contribution and counts towards any applicable contribution limit of the person providing the facility;
    - (viii) Legal or accounting services rendered to or on behalf of:
- 24 (A) A political party or caucus political committee if the person 25 paying for the services is the regular employer of the person rendering 26 such services; or
  - (B) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws.
- 31 (c) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the 32 33 contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or 34 35 political committee are deemed a contribution. Such a contribution must be reported as an in-kind contribution at its fair market value 36 37 and counts towards any applicable contribution limit of the provider.

SB 5776 p. 4

10

17

18

19

20

21 22

23

27

28

29 30

- (15) "Elected official" means any person elected at a general or 1 special election to any public office, and any person appointed to fill 2 3 a vacancy in any such office.
- 4 (16) "Election" includes any primary, general, or special election for public office and any election in which a ballot proposition is 5 PROVIDED, That an election in which the submitted to the voters: 6 7 qualifications for voting include other than those requirements set 8 forth in Article VI, section 1 (Amendment 63) of the Constitution of 9 the state of Washington shall not be considered an election for 10 purposes of this chapter.
- (17) "Election campaign" means any campaign in support of or in 11 opposition to a candidate for election to public office and any 12 13 campaign in support of, or in opposition to, a ballot proposition.
- 14 (18) "Election cycle" means the period beginning on the first day 15 of ((<del>December</del>)) <u>January</u> after the date of the last previous general election for the office that the candidate seeks and ending on 16 ((November 30th)) December 31st after the next election for the office. 17 In the case of a special election to fill a vacancy in an office, 18 19 "election cycle" means the period beginning on the day the vacancy 20 occurs and ending on ((November 30th)) December 31st after the special election.

- 22 (19) "Expenditure" includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of 23 24 value, and includes a contract, promise, or agreement, whether or not 25 legally enforceable, to make an expenditure. The term "expenditure" 26 also includes a promise to pay, a payment, or a transfer of anything of value in exchange for goods, services, property, facilities, or 27 anything of value for the purpose of assisting, benefiting, or honoring 28 29 any public official or candidate, or assisting in furthering or 30 opposing any election campaign. For the purposes of this chapter, 31 agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until actual payment is made. 32 term "expenditure" shall not include the partial or complete repayment 33 34 by a candidate or political committee of the principal of a loan, the 35 receipt of which loan has been properly reported.
- (20) "Final report" means the report described as a final report in 36 37 RCW 42.17.080(2).

p. 5 SB 5776

- 1 (21) "General election" means the election ((that results in the 2 election of a person to a state office. It does not include a 3 primary)) held on the first Tuesday after the first Monday in November.
  - (22) "Gift," is as defined in RCW 42.52.010.

16

17

18 19

20

21

22

2324

25

26

- (23) "Immediate family" includes the spouse, dependent children, 5 and other dependent relatives, if living in the household. For the 6 7 purposes of RCW 42.17.640 through 42.17.790, "immediate family" means 8 an individual's spouse, and child, stepchild, grandchild, parent, 9 stepparent, grandparent, brother, half brother, sister, or half sister 10 of the individual and the spouse of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half 11 brother, sister, or half sister of the individual's spouse and the 12 13 spouse of any such person.
- 14 (24) "Independent expenditure" means an expenditure that has each 15 of the following elements:
  - (a) It is made in support of or in opposition to a candidate for office by a person who is not (i) a candidate for that office, (ii) an authorized committee of that candidate for that office, (iii) a person who has received the candidate's encouragement or approval to make the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office, or (iv) a person with whom the candidate has collaborated for the purpose of making the expenditure, if the expenditure pays in whole or in part for political advertising supporting that candidate or promoting the defeat of any other candidate or candidates for that office;
- 27 (b) The expenditure pays in whole or in part for political 28 advertising that either specifically names the candidate supported or 29 opposed, or clearly and beyond any doubt identifies the candidate 30 without using the candidate's name; and
- 31 (c) The expenditure, alone or in conjunction with another 32 expenditure or other expenditures of the same person in support of or 33 opposition to that candidate, has a value of five hundred dollars or 34 more. A series of expenditures, each of which is under five hundred 35 dollars, constitutes one independent expenditure if their cumulative 36 value is five hundred dollars or more.
- 37 (25)(a) "Intermediary" means an individual who transmits a 38 contribution to a candidate or committee from another person unless the 39 contribution is from the individual's employer, immediate family as

- 1 defined for purposes of RCW 42.17.640 through 42.17.790, or an 2 association to which the individual belongs.
- 3 (b) A treasurer or a candidate is not an intermediary for purposes 4 of the committee that the treasurer or candidate serves.
- 5 (c) A professional fund-raiser is not an intermediary if the fund-6 raiser is compensated for fund-raising services at the usual and 7 customary rate.
- 8 (d) A volunteer hosting a fund-raising event at the individual's 9 home is not an intermediary for purposes of that event.
- 10 (26) "Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor.
- (27) "Lobby" and "lobbying" each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state Administrative Procedure Act, chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's or other organization's act of communicating with the members of that association or organization.
- 23 (28) "Lobbyist" includes any person who lobbies either in his or 24 her own or another's behalf.
- (29) "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom he or she is compensated for acting as a lobbyist.
- (30) "Person" includes an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized.
- 34 (31) "Person in interest" means the person who is the subject of a 35 record or any representative designated by that person, except that if 36 that person is under a legal disability, the term "person in interest" 37 means and includes the parent or duly appointed legal representative.
- 38 (32) "Political advertising" includes any advertising displays, 39 newspaper ads, billboards, signs, brochures, articles, tabloids,

p. 7 SB 5776

- flyers, letters, radio or television presentations, or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support in any election campaign.
  - (33) "Political committee" means any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition.

6 7

8

- 9 (34) "Primary" means the procedure for nominating a candidate to 10 state office under chapter 29.18 or 29.21 RCW or any other primary for 11 an election that uses, in large measure, the procedures established in 12 chapter 29.18 or 29.21 RCW.
- 13 (35) "Public office" means any federal, state, county, city, town, 14 school district, port district, special district, or other state 15 political subdivision elective office.
- 16 (36) "Public record" includes any writing containing information 17 relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained 18 19 by any state or local agency regardless of physical form or 20 characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public 21 records means legislative records as defined in RCW 40.14.100 and also 22 23 means the following: All budget and financial records; personnel 24 leave, travel, and payroll records; records of legislative sessions; 25 reports submitted to the legislature; and any other record designated 26 a public record by any official action of the senate or the house of 27 representatives.
- 28 (37) "Recall campaign" means the period of time beginning on the 29 date of the filing of recall charges under RCW 29.82.015 and ending 30 thirty days after the recall election.
- 31 (38) "State legislative office" means the office of a member of the 32 state house of representatives or the office of a member of the state 33 senate.
- (39) "State office" means state legislative office or the office of governor, lieutenant governor, secretary of state, attorney general, commissioner of public lands, insurance commissioner, superintendent of public instruction, state auditor, or state treasurer.
- 38 (40) "State official" means a person who holds a state office.

(41) "Surplus funds" mean, in the case of a political committee or candidate, the balance of contributions that remain in the possession or control of that committee or candidate subsequent to the election for which the contributions were received, and that are in excess of the amount necessary to pay remaining debts incurred by the committee or candidate prior to that election. In the case of a continuing political committee, "surplus funds" mean those contributions remaining in the possession or control of the committee that are in excess of the amount necessary to pay all remaining debts when it makes its final report under RCW 42.17.065.

1

2

4

5

6 7

8

9

10

28

29

30

3132

- (42)11 "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any 12 13 form of communication or representation, including, but not limited to, letters, words, pictures, sounds, or symbols, or combination thereof, 14 15 and all papers, maps, magnetic or paper tapes, photographic films and prints, motion picture, film and video recordings, magnetic or punched 16 17 cards, discs, drums, diskettes, sound recordings, and other documents including existing data compilations from which information may be 18 19 obtained or translated.
- As used in this chapter, the singular shall take the plural and any gender, the other, as the context requires.
- 22 **Sec. 2.** RCW 42.17.105 and 1995 c 397 s 4 are each amended to read as follows:
- (((1) Campaign treasurers shall prepare and deliver to the commission a special report regarding any contribution or aggregate of contributions which: Exceeds five hundred dollars; is from a single person or entity; and is received during a special reporting period.
  - Any political committee making a contribution or an aggregate of contributions to a single entity which exceeds five hundred dollars shall also prepare and deliver to the commission the special report if the contribution or aggregate of contributions is made during a special reporting period.
- For the purposes of subsections (1) through (7) of this section:
- 34 (a) Each of the following intervals is a special reporting period:
- 35 (i) The interval beginning after the period covered by the last report
- 36 required by RCW 42.17.080 and 42.17.090 to be filed before a primary
- 37 and concluding on the end of the day before that primary; and (ii) the

p. 9 SB 5776

interval composed of the twenty-one days preceding a general election; and

1 2

3

4

5

6

7

8

9

10

11 12

13 14

15

16

17 18

19

20

2122

23

24

25

26

2728

29

30

3132

3334

35 36

37

38 39

- (b) An aggregate of contributions includes only those contributions received from a single entity during any one special reporting period or made by the contributing political committee to a single entity during any one special reporting period.
- (2) If a campaign treasurer files a special report under this section for one or more contributions received from a single entity during a special reporting period, the treasurer shall also file a special report under this section for each subsequent contribution of any size which is received from that entity during the special reporting period. If a political committee files a special report under this section for a contribution or contributions made to a single entity during a special reporting period, the political committee shall also file a special report for each subsequent contribution of any size which is made to that entity during the special reporting period.
- (3) Except as provided in subsection (4) of this section, the special report required by this section shall be delivered electronically or in written form, including but not limited to mailgram, telegram, or nightletter. The special report required of a contribution recipient by subsection (1) of this section shall be delivered to the commission within forty-eight hours of the time, or on the first working day after: The contribution exceeding five hundred dollars is received by the candidate or treasurer; the aggregate received by the candidate or treasurer first exceeds five hundred dollars; or the subsequent contribution that must be reported under subsection (2) of this section is received by the candidate or treasurer. The special report required of a contributor by subsection (1) of this section or RCW 42.17.175 shall be delivered to the commission, and the candidate or political committee to whom the contribution or contributions are made, within twenty-four hours of the time, or on the first working day after: The contribution is made; the aggregate of contributions made first exceeds five hundred dollars; or the subsequent contribution that must be reported under subsection (2) of this section is made.
- (4) The special report may be transmitted orally by telephone to the commission to satisfy the delivery period required by subsection (3) of this section if the written form of the report is also mailed to the commission and postmarked within the delivery period established in

- subsection (3) of this section or the file transfer date of the electronic filing is within the delivery period established in subsection (3) of this section.
- 4 (5) The special report shall include at least:
- 5 (a) The amount of the contribution or contributions;
- 6 (b) The date or dates of receipt;

30

31

- 7 (c) The name and address of the donor;
- 8 (d) The name and address of the recipient; and
- 9 (e) Any other information the commission may by rule require.
- 10 (6) Contributions reported under this section shall also be 11 reported as required by other provisions of this chapter.
- 12 (7) The commission shall prepare daily a summary of the special 13 reports made under this section and RCW 42.17.175.
- 14 (8))) It is a violation of this chapter for any person to make, or for any candidate or political committee to accept from any one person, 15 16 contributions reportable under RCW 42.17.090 in the aggregate exceeding fifty thousand dollars for any campaign for state-wide office or 17 exceeding five thousand dollars for any other campaign subject to the 18 19 provisions of this chapter within twenty-one days of a general 20 election. This ((subsection)) section does not apply to: (1) Contributions made by, or accepted from, a bona fide political party as 21 defined in this chapter, excluding the county central committee or 22 legislative district committee; and (2) contributions made from one 23 24 bona fide political party, caucus campaign committee, county central committee, or legislative district committee to another bona fide 25 26 political party, caucus campaign committee, county central committee, or legislative district committee. 27
  - (((9) Contributions governed by this section include, but are not limited to, contributions made or received indirectly through a third party or entity whether the contributions are or are not reported to the commission as earmarked contributions under RCW 42.17.135.))
- 32 **Sec. 3.** RCW 42.17.350 and 1984 c 287 s 74 are each amended to read 33 as follows:
- There is hereby established a "public disclosure commission" which shall be composed of five members who shall be appointed by the governor, with the consent of the senate. All appointees shall be persons of the highest integrity and qualifications. No more than three members shall have an identification with the same political

p. 11 SB 5776

party. The original members shall be appointed within sixty days after 2 January 1, 1973. The term of each member shall be five years except that the original five members shall serve initial terms of one, two, 3 4 three, four, and five years, respectively, as designated by the governor. No member of the commission, during his tenure, shall (1) 5 hold or campaign for elective office; (2) be an officer of any 6 7 political party or political committee; (3) permit his name to be used, 8 or make contributions, in support of or in opposition to any candidate 9 or proposition; (4) participate in any way in any election campaign; or 10 (5) lobby or employ or assist a lobbyist: PROVIDED, That a member or the staff of the commission may lobby to the limited extent permitted 11 12 by RCW 42.17.190 on matters directly affecting this chapter. No member 13 shall be eligible for appointment to more than one full term. A member whose term has expired may serve until a replacement is appointed by 14 the governor with the consent of the senate. 15 A vacancy on the 16 commission shall be filled within thirty days of the vacancy by the 17 governor, with the consent of the senate, and the appointee shall serve for the remaining term of his predecessor. A vacancy shall not impair 18 19 the powers of the remaining members to exercise all of the powers of 20 the commission. Three members of the commission shall constitute a The commission shall elect its own chairman and adopt its own 21 22 rules of procedure in the manner provided in chapter 34.05 RCW. Any 23 member of the commission may be removed by the governor, but only upon 24 grounds of neglect of duty or misconduct in office. 25

Members shall be compensated in accordance with RCW 43.03.250 and in addition shall be reimbursed for travel expenses incurred while engaged in the business of the commission as provided in RCW 43.03.050 and 43.03.060. The compensation provided pursuant to this section shall not be considered salary for purposes of the provisions of any retirement system created pursuant to the general laws of this state.

- 31 **Sec. 4.** RCW 42.17.380 and 1982 c 35 s 196 are each amended to read 32 as follows:
- 33 (1) The office of the secretary of state shall be designated as a 34 place where the public may file papers or correspond with the 35 commission and receive any form or instruction from the commission.
- 36 (2) The attorney general, through his office, shall supply such 37 assistance as the commission may require in order to carry out its 38 responsibilities under this chapter. The commission may employ

SB 5776 p. 12

2627

28 29

30

attorneys who are neither the attorney general nor an assistant 1 attorney general to carry out any function of the attorney general 2 prescribed in this chapter. The commission shall employ attorneys who 3 4 are neither the attorney general nor an assistant attorney general for any of the following purposes: (a) Assisting in the investigation of 5 apparent violations of this chapter; (b) representing the agency in a 6 7 hearing held under the Administrative Procedure Act, chapter 34.05 RCW, 8 to determine whether an actual violation of this chapter has occurred, 9 including a request for review or reconsideration of the commission's 10 order; and (c) representing the commission in a proceeding for judicial review of a final order rendered by the commission under such a 11 12 hearing.

- 13 **Sec. 5.** RCW 42.17.420 and 1995 c 397 s 18 are each amended to read 14 as follows:
- 15 (1) Except as provided in subsection (2) of this section, when any application, report, statement, notice, or payment required to be made 16 under the provisions of this chapter has been deposited postpaid in the 17 18 United States mail properly addressed, it shall be deemed to have been 19 received on the date of mailing. It shall be presumed that the date shown by the post office cancellation mark on the envelope is the date 20 of mailing. The provisions of this <u>sub</u>section do not apply to reports 21 required to be delivered under RCW ((42.17.105 and)) 42.17.175. 22
- (2) When a report is filed electronically with the commission, it is deemed to have been received on the file transfer date. Electronic filing may be used for purposes of filing the special reports required to be delivered under RCW ((42.17.105 and)) 42.17.175.
- 27 **Sec. 6.** RCW 42.17.640 and 1995 c 397 s 20 are each amended to read 28 as follows:
- (1) No person, other than a bona fide political party or a caucus political committee, may make contributions to a candidate for a state legislative office that in the aggregate exceed five hundred dollars or to a candidate for a state office other than a state legislative office that in the aggregate exceed one thousand dollars for each election in which the candidate is on the ballot or appears as a write-in candidate.
- 36 <u>(a)</u> Contributions made with respect to a primary may not be made 37 after the date of the primary. However, after the date of the primary,

p. 13 SB 5776

if an individual who had been a candidate in the primary election but is not a candidate in the general election, has outstanding campaign debts from that primary election and insufficient funds in his or her campaign account to pay these debts, then contributions may be made to the primary election candidate with respect to that primary until twelve months after the final day of the applicable election cycle or until contributions sufficient to pay the primary election debt have been received by the primary election candidate, whichever occurs first. Nothing in this subsection authorizes the primary election candidate to accept contributions in excess of the limits provided in this section for that primary election or in excess of the amount required to pay outstanding campaign debts from that primary election. 

- (b) Contributions made with respect to a general election may not be made after the final day of the applicable election cycle.
- (c) Nothing in this section authorizes a state official or a person employed by or acting on behalf of a state official or state legislator to solicit or accept contributions in violation of RCW 42.17.710 or of any other section of this chapter.
- (2) No person, other than a bona fide political party or a caucus political committee, may make contributions to a state official against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the state official, during a recall campaign that in the aggregate exceed five hundred dollars if for a state legislative office or one thousand dollars if for a state office other than a state legislative office.
- (3)(a) Notwithstanding subsection (1) of this section, no bona fide political party or caucus political committee may make contributions to a candidate during an election cycle that in the aggregate exceed (i) fifty cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is elected if the contributor is a caucus political committee or the governing body of a state organization, or (ii) twenty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No candidate may accept contributions from a county central committee or a legislative district committee during an election cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate

SB 5776 p. 14

exceed twenty-five cents times the number of registered voters in the jurisdiction from which the candidate is elected.

- (4)(a) Notwithstanding subsection (2) of this section, no bona fide political party or caucus political committee may make contributions to a state official against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the state official, during a recall campaign that in the aggregate exceed (i) fifty cents multiplied by the number of eligible registered voters in the jurisdiction entitled to recall the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) twenty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No state official against whom recall charges have been filed, no authorized committee of the official, and no political committee having the expectation of making expenditures in support of the recall of a state official may accept contributions from a county central committee or a legislative district committee during an election cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate exceed twenty-five cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected.
- (5) For purposes of determining contribution limits under subsections (3) and (4) of this section, the number of eligible registered voters in a jurisdiction is the number at the time of the most recent general election in the jurisdiction.
- (6) Notwithstanding subsections (1) through (4) of this section, no person other than an individual, bona fide political party, or caucus political committee may make contributions reportable under this chapter to a caucus political committee that in the aggregate exceed five hundred dollars in a calendar year or to a bona fide political party that in the aggregate exceed two thousand five hundred dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business.
- (7) For the purposes of RCW 42.17.640 through 42.17.790, a contribution to the authorized political committee of a candidate, or of a state official against whom recall charges have been filed, is considered to be a contribution to the candidate or state official.

p. 15 SB 5776

1 (8) A contribution received within the twelve-month period after a 2 recall election concerning a state office is considered to be a 3 contribution during that recall campaign if the contribution is used to 4 pay a debt or obligation incurred to influence the outcome of that 5 recall campaign.

6 7

8

9

28

2930

31

32

3334

35

- (9) The contributions allowed by subsection (2) of this section are in addition to those allowed by subsection (1) of this section, and the contributions allowed by subsection (4) of this section are in addition to those allowed by subsection (3) of this section.
- (10) RCW 42.17.640 through 42.17.790 apply to a special election conducted to fill a vacancy in a state office. However, the contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not be counted toward any of the limitations that apply to the candidate or to contributions made to the candidate for any other primary or election.
- (11) Notwithstanding the other subsections of this section, no 17 corporation or business entity not doing business in Washington state, 18 19 no labor union with fewer than ten members who reside in Washington state, and no political committee that has not received contributions 20 of ten dollars or more from at least ten persons registered to vote in 21 Washington state during the preceding one hundred eighty days may make 22 23 contributions reportable under this chapter to a candidate, to a state 24 official against whom recall charges have been filed, or to a political 25 committee having the expectation of making expenditures in support of 26 the recall of the official. This subsection does not apply to loans made in the ordinary course of business. 27
  - (12) Notwithstanding the other subsections of this section, no county central committee or legislative district committee may make contributions reportable under this chapter to a candidate, state official against whom recall charges have been filed, or political committee having the expectation of making expenditures in support of the recall of a state official if the county central committee or legislative district committee is outside of the jurisdiction entitled to elect the candidate or recall the state official.
- 36 (13) No person may accept contributions that exceed the 37 contribution limitations provided in this section.
- 38 (14) The following contributions are exempt from the contribution 39 limits of this section:

- expenditure or contribution earmarked 1 (a) An for voter 2 registration, for absentee ballot information, for precinct caucuses, for get-out-the-vote campaigns, for precinct judges or inspectors, for 3 4 sample ballots, or for ballot counting, all without promotion of or 5 political advertising for individual candidates; or
- 6 (b) An expenditure by a political committee for its own internal 7 organization or fund raising without direct association with individual 8 candidates.
- 9 **Sec. 7.** RCW 42.17.660 and 1993 c 2 s 6 are each amended to read as 10 follows:
- 11 For purposes of this chapter:
- (1) A contribution by a political committee with funds that have all been contributed by one person who exercises exclusive control over the distribution of the funds of the political committee is a contribution by the controlling person.
- (2) Two or more entities are treated as a single entity if one of 16 the two or more entities is a subsidiary, branch, or department of a 17 18 corporation or a local unit, branch, or affiliate of a trade 19 association, labor union, or collective bargaining association. All contributions made by a person or political committee whose 20 administrative functions, solicitation of political contributions, or 21 22 expenditure activity is coordinated, financed, contribution or 23 maintained, or controlled by a trade association, labor union, 24 collective bargaining organization, or the local unit of a trade association, labor union, or collective bargaining organization are 25 considered made by the same person or entity. 26
- 27 **Sec. 8.** RCW 42.17.680 and 1993 c 2 s 8 are each amended to read as 28 follows:
- (1) No employer or labor organization may increase the salary of an officer or employee, or give an emolument to an officer, employee, or other person or entity, with the intention that the increase in salary, or the emolument, or a part of it, be contributed or spent to support or oppose a candidate, state official against whom recall charges have been filed, political party, or political committee.
- 35 (2) No employer or labor organization may discriminate against an 36 officer or employee in the terms or conditions of employment for (a) 37 the failure to contribute to, (b) the failure in any way to support or

p. 17 SB 5776

oppose, or (c) in any way supporting or opposing a candidate, ballot proposition, political party, or political committee.

1 2

21

22

2324

25

26

27

28 29

30

31

32

- 3 (3) No employer or other person or entity responsible for the 4 disbursement of funds in payment of wages or salaries may withhold or 5 divert a portion of an employee's wages or salaries for contributions to political committees or for use as political contributions except 6 7 upon the written request of the employee. <u>If an employee has not</u> 8 provided a written request to the employer or disbursing entity, a 9 person or entity who receives a withheld or diverted portion of the employee's salaries or wages from the employer or other disbursing 10 entity shall not use those funds for contributions to political 11 committees or for use as political contributions unless the employee 12 has been given written notification of that possible use by the 13 14 recipient and has provided written authorization for that use to the The request to the employer and authorization to the 15 recipient. 16 recipient must be made on a form prescribed by the commission informing 17 the employee of the prohibition against employer and labor organization discrimination described in subsection (2) of this section. 18 19 request ((is)) and authorization are valid for no more than twelve months from the date ((it is)) they are made by the employee. 20
  - (4) Each person or entity who withholds contributions under subsection (3) of this section shall maintain open for public inspection for a period of no less than three years, during normal business hours, documents and books of accounts that shall include a copy of each employee's request, the amounts and dates funds were actually withheld, and the amounts and dates funds were transferred to a political committee or used as a contribution. Copies of such information shall be delivered to the commission upon request. Persons or entities who receive employee withholdings under subsection (3) of this section are subject to the same requirements and shall also maintain a copy of the notification given to each employee and the employee's authorization.
- NEW SECTION. Sec. 9. A new section is added to chapter 42.17 RCW to read as follows:
- 35 (1) A foreign national or domestic dependent sovereign shall not 36 directly or through any other person make a contribution or an 37 expenditure, or expressly or impliedly promise to make a contribution

- or an expenditure, in connection with a campaign for any public office or ballot proposition.
- 3 (2) No person may solicit, accept, or receive a contribution from 4 a foreign national or domestic dependent sovereign.
- 5 (3) A foreign national shall not direct, dictate, control, or 6 directly or indirectly participate in the decision-making process of 7 any person, such as a corporation, labor organization, or political 8 committee, with regard to campaigns for public office or ballot 9 propositions.
- (4) For purposes of this section, "foreign national" means a foreign principal including a government of a foreign political party, a person outside the United States, or a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.
- (5) For purposes of this section, "domestic dependent sovereign" means an Indian tribe that has been acknowledged, recognized, restored, or reaffirmed as an Indian tribe by the Secretary of the Interior under chapter 576 48 Stat. 984, 25 U.S.C. 461 to 463, 464 to 465, 466 to 470, 471 to 472, 473, 474 to 475, 476 to 478, and 479, commonly referred to as the Indian Reorganization Act, or has otherwise been acknowledged by the United States government as an Indian tribe.
- 23 **Sec. 10.** RCW 43.10.067 and 1987 c 364 s 1 and 1987 c 186 s 7 are 24 each reenacted and amended to read as follows:

25 No officer, director, administrative agency, board, or commission of the state, other than the attorney general, shall employ, appoint or 26 27 retain in employment any attorney for any administrative body, department, commission, agency, or tribunal or any other person to act 28 29 as attorney in any legal or quasi legal capacity in the exercise of any of the powers or performance of any of the duties specified by law to 30 be performed by the attorney general, except where it is provided by 31 32 law to be the duty of the judge of any court or the prosecuting 33 attorney of any county to employ or appoint such persons: PROVIDED, 34 That RCW 43.10.040, and 43.10.065 through 43.10.080 shall not apply to the administration of the judicial council, the commission on judicial 35 36 conduct, the state law library, the law school of the state university, 37 the public disclosure commission, the administration of the state bar 38 act by the Washington State Bar Association, or the representation of

p. 19 SB 5776

- 1 an estate administered by the director of the department of revenue or
- 2 the director's designee pursuant to chapter 11.28 RCW.
- 3 The authority granted by chapter 1.08 RCW, RCW ((44.28.140))
- 4 44.28.065, and 47.01.061 shall not be affected hereby.
- 5 <u>NEW SECTION.</u> **Sec. 11.** RCW 42.17.172 and 1993 c 2 s 32 are each

6 repealed.

--- END ---