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SENATE BILL 6513

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State of Washington

55th Legislature

1998 Regular Session

By Senators Jacobsen, Thibaudeau and Kohl; by request of Governor Locke

Read first time 01/20/98. Referred to Committee on Government Operations.

1 AN ACT Relating to providing open government through unedited  
2 televised coverage of state government proceedings; adding new sections  
3 to chapter 82.04 RCW; adding a new section to chapter 82.16 RCW; and  
4 providing an effective date.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.04 RCW  
7 to read as follows:

8 (1) A person whose application has been approved by the department  
9 under this section may take a credit against the tax imposed by this  
10 chapter, subject to the limitations in this section.

11 (2) The credit under this section shall be equal to the monetary  
12 donations made during the calendar year to a public news organization,  
13 as defined in section 2 of this act. "Monetary donations" means cash,  
14 check, or other equivalent form of donation. In-kind contributions  
15 such as services, property, or rights are not monetary donations.  
16 Loans or pledges are not monetary donations. The credit must be taken  
17 against taxes due for the same calendar year as the monetary donation.  
18 The credit taken may not exceed the amount of tax otherwise due under  
19 this chapter for the calendar year during which the donation is made.

1 Unused credit expires and may not be carried over to subsequent  
2 calendar years. Refunds shall not be given in place of credits. The  
3 credit must be claimed by the due date of the last tax return for the  
4 calendar year in which the payment is made. Credit shall not be  
5 granted for donations made before the effective date of this section.

6 (3) A person claiming the credit shall file an affidavit in a form  
7 and manner as required by the department. The affidavit shall be  
8 verified by both the donor and the public news organization, and shall  
9 include the date and amount of the donation and additional information  
10 as the department may require.

11 (4) The department shall keep a running total of credits granted  
12 under this section and section 3 of this act during each fiscal year.  
13 The department shall deny a credit application when the aggregate  
14 amount of credits taken under this section and section 3 of this act by  
15 all persons making cash donations to a public news organization exceeds  
16 two million dollars during fiscal year 1999, and the amount in  
17 subsection (5) of this section thereafter.

18 (5) The department shall adjust for each state fiscal year the  
19 aggregate amount in subsection (4) of this section using the implicit  
20 price deflator. The adjustment shall be based on the prior year's  
21 calendar increase. The implicit price deflator is as published by the  
22 federal department of commerce for the United States for each fiscal  
23 year.

24 (6) If a person has used a credit granted under this section  
25 against tax due under chapter 82.16 RCW, the person may not use the  
26 same credit for tax due under this chapter.

27 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.04 RCW  
28 to read as follows:

29 (1) This chapter shall not apply to amounts received by a public  
30 news organization as compensation for, or to support, unedited  
31 television coverage of state legislative proceedings and other  
32 proceedings of state-wide significance.

33 (2) "Public news organization" means a public benefit nonprofit  
34 organization, in existence on the effective date of this act, that  
35 exists solely to produce unedited televised coverage of state  
36 legislative proceedings and other proceedings of state-wide  
37 significance, that is a not-for-profit corporation under chapter 24.03  
38 RCW, and that is managed by a governing board of not less than eight

1 individuals. "Public benefit nonprofit organization" as used in this  
2 section means an organization exempt from tax under section 501(c)(3)  
3 of the federal internal revenue code, as in effect on January 1, 1998,  
4 or subsequent date provided by the director by rule, consistent with  
5 the purposes of this section. In addition, in order to be exempt under  
6 this section, a corporation shall satisfy the following conditions:

7 (a) No part of its income may be paid directly or indirectly to its  
8 members, stockholders, officers, directors, or trustees except in the  
9 form of services rendered by the corporation in accordance with its  
10 purposes and bylaws;

11 (b) Salary or compensation paid to its officers and executives must  
12 be only for actual services rendered;

13 (c) Assets of the corporation must be irrevocably dedicated to the  
14 activities for which the exemption is granted and, on the liquidation,  
15 dissolution, or abandonment by the corporation, may not inure directly  
16 or indirectly to the benefit of any member or individual except a  
17 nonprofit organization, association, or corporation that also would be  
18 entitled to the exemption;

19 (d) The amounts received qualifying for exemption must be used for  
20 the activities for which the exemption is granted.

21 (3) "State legislative proceedings" means meetings, hearings,  
22 deliberations, and other proceedings of or before the Washington state  
23 senate, the Washington state house of representatives, or a committee  
24 or subcommittee of either.

25 (4) "Other proceedings of state-wide significance" includes  
26 meetings, hearings, deliberations, and other proceedings of or before  
27 the executive or judicial branch of Washington state government or a  
28 Washington state agency, department, board, or commission. The term  
29 also includes press conferences and other public gatherings or events,  
30 concerning issues of interest to Washington state residents.

31 NEW SECTION. **Sec. 3.** A new section is added to chapter 82.16 RCW  
32 to read as follows:

33 The tax credit program under section 1 of this act is available to  
34 persons for tax due under this chapter. If a person has used a credit  
35 granted under this section against tax due under chapter 82.04 RCW, the  
36 person may not use the same credit for tax due under this chapter.

37 NEW SECTION. **Sec. 4.** This act takes effect July 1, 1998.

1        NEW SECTION.    **Sec. 5.**    If any provision of this act or its  
2 application to any person or circumstance is held invalid, the  
3 remainder of the act or the application of the provision to other  
4 persons or circumstances is not affected.

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