

# HB 2552

## Bill Analysis

February 1, 2000

**Brief Description:** Creating the public disclosure account.

**Bill Sponsors:** Representatives Dunshee and Edmonds.

### Brief Summary of Bill

- Creates a public disclosure account as a dedicated account supporting public disclosure activities;
- Imposes a one percent tax on lobbyists' expenditures and a four percent tax on campaign contributions; and
- Refers these provisions to the voters for approval.

**Staff:** Linda Brooks, 786-7153.

### Background:

Voters approved Initiative 276 in 1972. Among other provisions, Initiative 276 required:

- candidates and political committees to file statements of organization and to make periodic reports of contributions and expenditures;
- public officials to file financial statements; and
- persons lobbying the Legislature or state agencies to register and make periodic reports of their expenditures.

The public disclosure commission (PDC) was created to receive these filings and reports and

to enforce these provisions.

In 1999, the Legislature appropriated \$3,220,000 to the PDC for the 99-01 biennium. This appropriation was from the state general fund.

**Summary of Bill:**

A public disclosure account is created. The Legislature may only appropriate moneys from the public disclosure account to support public disclosure activities.

A four percent tax is imposed on campaign contributions. A one percent tax is imposed on lobbyists' expenditures. Revenues from these taxes are deposited into the public disclosure account. The department of revenue is responsible for administering the taxes.

At the start of each fiscal biennium, money is transferred from the state general fund into the public disclosure account whenever the account balance is below a threshold amount. The threshold amount equals \$4,000,000 for FY 01-03. This threshold amount is increased by a growth factor for subsequent biennia.

These provisions only take effect if approved by the voters at the next general election.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** If approved by the voters, this bill takes effect on July 1, 2001.