HOUSE BILL REPORT
HB 2617

As Reported by House Committee On:
State Government

Title: An act relating to disclosure of employer and occupation information by certain political campaign contributors.

Brief Description: Requiring further information about certain political campaign contributors.

Sponsors: Representatives Linville, Romero, DeBolt, Quall, Kirby, Alexander, Morris, Dunshee, Bush, Hunt, Tokuda, Miloscia and McDermott.

Brief History:
Committee Activity:
State Government: 1/29/02, 2/7/02 [DPS].

Brief Summary of Substitute Bill

- Requires candidates to report to the Public Disclosure Commission a contributor's occupation and employer for contributions of $100 or more.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Romero, Chair; Miloscia, Vice Chair; McDermott, Schindler and Upthegrove.

Minority Report: Without recommendation. Signed by 1 member: Representative Schmidt.

Staff: Catherine Blinn (786-7114).

Background:

The Public Disclosure Commission (PDC) was created in 1973 following passage of Initiative 276 in 1972. The PDC is responsible for enforcing laws relating to personal financial affairs reporting, lobbyist reporting, campaign finance reporting, campaign contribution limits, and independent expenditure reporting. The PDC receives and provides public access, including website access, to the reports and to other information submitted by candidates, elected officials, political committees, lobbyists, and other organizations that provide political advertising and independent expenditures.

The PDC is authorized to adopt rules to carry out the policies and purposes of the public disclosure laws, including rules regarding the reporting of campaign contributions. Every two years, the PDC must revise the campaign contribution limits and other dollar thresholds listed in campaign finance statutes to reflect inflation. By statute, candidates must report the names and addresses of contributors, the amounts contributed, and the aggregate value of contributions received from a single person. The PDC adopted a rule in 1993 requiring candidates to also report the occupation and employer of contributors who contribute an aggregate of $100 or more. The PDC amended the rule in December 2001, effective January 7, 2002, to raise the threshold amount requiring occupation and employer reporting to contributions over $100.

Summary of Substitute Bill:

Candidates are required to report the occupation and the name and address of the employer of contributors who contribute an aggregate of $100 or more. The $100 threshold is not subject to inflationary revisions conducted by the PDC every two years.

Substitute Bill Compared to Original Bill:

The substitute bill exempts the $100 threshold for occupation and employer reporting from the inflationary revisions conducted by the PDC every two years.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: The public disclosure laws exist to inform the public of who is funding political campaigns. The law should require that all contributions be reported. The recent rule-making decision by the PDC to raise the threshold amount for occupation and employer reporting is a continuing erosion of the public's right to know how candidates and politicians fund their campaigns. This has been a continuing move away from keeping the public informed. The rule does not exist to provide convenience to campaigns or campaign treasurers.

Testimony Against: A majority of the members on the PDC support the inclusion of occupation and employer reporting in the campaign finance reporting statute, but a majority of the members support setting the threshold amount at contributions over $100. The commission changed the rule because it believed that a modest adjustment to the threshold was appropriate. Among the campaigns surveyed, contributions at exactly $100 accounted for approximately 12 percent of the contributions received. The original purpose of the rule was to make sure that employers were not bundling donations. The reason for the change was to simplify the process for treasurers, and to reduce the paperwork for campaigns.

Testified: (In support with concerns) Vicki Rippie, Public Disclosure Commission.