

HOUSE BILL REPORT

HB 1021

As Reported by House Committee On:
State Government

Title: An act relating to inspection of political candidates' contributions and expenditures.

Brief Description: Eliminating drop-in inspections of campaign accounts.

Sponsors: Representatives Nixon and Mielke.

Brief History:

Committee Activity:

State Government: 1/16/03, 1/24/03 [DPS].

Brief Summary of Substitute Bill

- Removes the requirement that, on the eighth day before the election, political committees keep the campaign accounts open for public inspection for at least two hours.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; McDermott and Nixon.

Staff: Katie Blinn (786-7114).

Background:

The Public Disclosure Act requires candidates for elective office to document and report almost all contributions and expenditures of the campaign. Political committees must file campaign finance reports at regular intervals with the Public Disclosure Commission (PDC) and the county auditor. The books of account must accurately reflect all contributions and expenditures on a current basis within five business days of receipt or expenditure, and within one business day during the last eight days of the campaign.

Political committees must keep the campaign accounts and copies of all reports filed with

the PDC open for public inspection. On the eighth day before the election, the books must be open for public inspection for at least two consecutive hours between 8:00 a.m. and 8:00 p.m. at the principal headquarters of the campaign, at the address of the treasurer, or at another location authorized by the commission. For the week prior to the election, the books must be open for public inspection by appointment between 8:00 a.m. and 8:00 p.m. at the location designated by the campaign. Neither the candidate nor the campaign may refuse a request for an appointment, and the appointment must be allowed within 24 hours of the date and time requested.

Summary of Substitute Bill:

Political committees are no longer required to keep the campaign accounts and the PDC reports open for public inspection for at least two hours on the eighth day before the election. Instead, for the eight days prior to the election, committees must make the books and reports available for inspection by appointment sometime between 8:00 a.m. and 8:00 p.m. at the location designated by the campaign. Copies of the PDC reports may be maintained in paper or electronic form.

Substitute Bill Compared to Original Bill:

The substitute bill removes the language requiring campaigns to keep the PDC reports open for two hours and instead requires campaigns to make the reports, along with the books, available by appointment. The substitute bill also removes the requirement that the statement of organization, known as a C1 form, list the hours the books of account will be available for inspection, and instead requires contact information for an appointment.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: The bill removes a limitation for committees without limiting access. There is no objection to the bill from the Allied Daily Newspapers of Washington. The two-hour time period is rarely used, and when it is, it is used by the candidate's opponent to catch the candidate violating campaign finance laws. The inspection period is not as necessary now that the public can access reports online at the PDC's website. There are concerns that someone could take advantage of the fact that a campaign has announced that someone will be available for a two-hour time period. For consistency, the bill language should be amended to require both books and the PDC reports to be available

for inspection by appointment. The bill will increase safety and reduce time wasted.

Testimony Against: None.

(Comments only) An electronic version of a report is considered sufficient when required to provide a copy of a report. Committees are not required to provide copies for the public to take with them, only to provide access. The Public Disclosure Commission has not had an opportunity to review and give an opinion on the bill but staff does not have any concerns with the proposed legislation. The common complaint in this area is failure to file reports at all and whether records exist, not failure to provide access.

Testified: (In support) Rowland Thompson, Allied Daily Newspapers of Washington.

(Comments only) Doug Ellis, Public Disclosure Commission.