

1 (1) Shall not accept individual contributions in excess of twenty-
2 five dollars for each election cycle, except in the emergency situation
3 specified in section 111(4) of this act;

4 (2) Shall not accept contributions from a political committee, a
5 continuing political committee, a bona fide political party, or a
6 caucus political committee;

7 (3) Shall not expend more than a total of five hundred dollars of
8 the candidate's personal money;

9 (4) Shall collect one hundred qualifying contributions under
10 section 104 of this act; and

11 (5) Shall comply with this chapter, including section 105 of this
12 act regarding the authorized committee's account and section 110 of
13 this act regarding returning unused moneys to the citizens' clean
14 elections fund.

15 NEW SECTION. **Sec. 102.** CERTIFICATION AS A PARTICIPATING
16 CANDIDATE. (1) A candidate who wishes to be certified as a
17 participating candidate shall, before the end of the qualifying period,
18 file an application with the commission using a form specified by the
19 commission. The application must identify the candidate, the office
20 that the candidate plans to seek, and the candidate's party, if any,
21 and contain the candidate's signature, under oath, certifying that:

22 (a) The candidate has complied with the restrictions of section 101
23 of this act during the election cycle to date;

24 (b) The candidate's campaign committee has filed all campaign
25 finance reports required under this chapter during the election cycle
26 to date that are complete and accurate; and

27 (c) The candidate will comply with the requirements of section 101
28 of this act during the remainder of the election cycle and,
29 specifically, will not accept individual contributions in excess of the
30 limit established in section 101(1) of this act; and will not accept
31 contributions from a political committee, a continuing political
32 committee, a bona fide political party, or a caucus political
33 committee.

34 (2) The commission shall act on the application within seven days.
35 Unless, within that time, the commission denies an application and
36 provides written reasons that all or part of a certification in
37 subsection (1) of this section is incomplete or untrue, the commission

1 shall certify the candidate as a participating candidate. If the
2 commission denies an application for failure to file all complete and
3 accurate campaign finance reports or failure to make the certification
4 in subsection (1)(c) of this section, the candidate may reapply within
5 fourteen days of the commission's decision by filing complete and
6 accurate campaign finance reports and another sworn certification.

7 (3) A candidate who is certified as a participating candidate may
8 use this designation in campaign materials and will be so designated in
9 the state voters' pamphlet.

10 NEW SECTION. Sec. 103. LIMITS ON EARLY CONTRIBUTIONS. (1) A
11 participating candidate may accept early contributions only from
12 individuals and only during the exploratory period and the qualifying
13 period, subject to the following limitations: Notwithstanding any law
14 to the contrary, a contributor may not give contributions exceeding
15 twenty-five dollars during an election cycle and a participating
16 candidate may not accept contributions from a contributor exceeding
17 twenty-five dollars during an election cycle.

18 (2) Early contributions specified in subsection (1) of this section
19 and the candidate's personal moneys specified in section 101(3) of this
20 act may be spent only during the exploratory period and the qualifying
21 period. Any early contributions not spent by the end of the qualifying
22 period must be paid to the citizens' clean elections fund.

23 NEW SECTION. Sec. 104. QUALIFYING CONTRIBUTIONS. (1) During the
24 qualifying period, a participating candidate shall collect a minimum of
25 one hundred qualifying contributions, which must be paid to the
26 citizens' clean elections fund.

27 (2) To qualify as a "qualifying contribution," a contribution must
28 be:

29 (a) Made by a registered voter who at the time of the contribution
30 was registered in the electoral district of the office the candidate is
31 seeking and who has not given another qualifying contribution to that
32 candidate during that election cycle;

33 (b) Made by a person who is not given anything of value in exchange
34 for the qualifying contribution;

35 (c) In the sum of twenty-five dollars, exactly;

1 (d) Received during the qualifying period by the candidate or on
2 behalf of the candidate;

3 (e) If made by check or money order, made payable to the
4 candidate's authorized committee, or if in cash, deposited in the sole
5 account in the candidate's authorized committee; and

6 (f) Accompanied by a four-part reporting slip that includes the
7 printed name, registration address, and signature of the contributor,
8 the name of the candidate for whom the contribution is made, the date,
9 and the printed name and signature of the solicitor.

10 (3) A copy of the reporting slip must be given as a receipt to the
11 contributor, and another copy must be retained by the candidate's
12 campaign committee. The remaining copies must be forwarded to the
13 commission. Delivery of the reporting slips to the commission excuses
14 the candidate from disclosing the names of the contributors on campaign
15 finance reports filed under RCW 42.17.080.

16 NEW SECTION. **Sec. 105.** CONTROLS ON A PARTICIPATING CANDIDATE'S
17 AUTHORIZED COMMITTEE. (1) A participating candidate and the
18 participating candidate's authorized committee shall conduct all
19 financial activity through a single account. A participating candidate
20 may not make any deposits into this account other than those permitted
21 under sections 103, 104, and 107 of this act.

22 (2) A participating candidate and the treasurer of the
23 participating candidate's authorized committee must sign a joint
24 statement under oath promising to comply with the requirements of RCW
25 42.17.095 and sections 101 through 114 of this act.

26 (3) A participating candidate or the treasurer of the participating
27 candidate's authorized committee shall pay moneys from the authorized
28 committee's account directly to the person providing goods or services
29 to the campaign and shall identify, on reports filed under RCW
30 42.17.080, the full name and street address of the person and the
31 nature of the goods or services and compensation for which payment has
32 been made. However, an authorized committee may establish one or more
33 petty cash accounts, that in aggregate must not exceed one thousand
34 dollars at any time. A single expenditure may not be made from a petty
35 cash account exceeding one hundred dollars. Expenditures from any
36 petty cash accounts must also be included in reports filed under RCW
37 42.17.080.

1 (4) Moneys in the account of a participating candidate's authorized
2 committee may not be used to pay fines or civil penalties, for costs or
3 legal fees related to representation before the commission, or for
4 defense of an enforcement action under this chapter. Nothing in this
5 subsection prevents a participating candidate from having a legal
6 defense fund.

7 NEW SECTION. **Sec. 106.** QUALIFICATION FOR CLEAN CAMPAIGN FUNDING.

8 (1) A candidate who has applied for certification may also apply, in
9 accordance with subsection (2) of this section, to receive funds from
10 the citizens' clean elections fund.

11 (2) To receive funding from the citizens' clean elections fund, a
12 candidate must present to the commission no later than one week after
13 the end of the qualifying period a list of names of persons who have
14 made qualifying contributions under section 104 of this act on behalf
15 of the candidate. The list must be divided by county. At the same
16 time, the candidate must tender to the commission copies of the
17 reporting slips identified in section 104 of this act for persons on
18 the list and an amount equal to the sum of the qualifying contributions
19 collected. The commission shall deposit the amount into the citizens'
20 clean elections fund.

21 (3) The commission shall forward a copy of the reporting slips to
22 the county auditor of the counties of the addresses specified in the
23 selected slips. Within ten days, the county auditors shall provide a
24 report to the commission identifying as disqualified any slips that are
25 unsigned or undated or that the auditor is unable to verify as matching
26 a person who is registered to vote, on the date specified on the slip,
27 inside the electoral district of the office the candidate is seeking.
28 The commission shall approve the candidate for funds if one hundred
29 qualifying contributions are made.

30 (4) To qualify for clean campaign funding, a candidate must have
31 been certified as a participating candidate under section 102 of this
32 act and must have obtained a minimum of one hundred qualifying
33 contributions.

34 NEW SECTION. **Sec. 107.** CLEAN CAMPAIGN FUNDING. (1) On the first
35 business day of each month during the primary election period up until
36 the first business day of the month immediately after the primary

1 election, a participating candidate shall transmit to the commission
2 the names and addresses of each contributor and the amount each person
3 contributed for the previous month. The candidate's committee
4 treasurer must certify that the list is true and accurate. The
5 commission shall check the list to verify that the candidate has not
6 received more than twenty-five dollars in aggregate from any one
7 individual and that no single contribution exceeds twenty-five dollars.
8 The commission shall arrange a payment by the state treasurer from the
9 citizens' clean elections fund to the account of the authorized
10 committee of each candidate who qualifies for clean campaign funding,
11 an amount that equals two hundred dollars in matching funds for every
12 twenty-five dollars received in contributions by the participating
13 candidate, up to an amount of forty thousand dollars, except under the
14 conditions identified in section 108 of this act.

15 (2) On the first business day of each month during the general
16 election period up until the first business day of the month
17 immediately after the general election, a participating candidate shall
18 transmit to the commission the names and addresses of each contributor
19 and the amount each person contributed for the previous month. The
20 candidate's committee treasurer must certify that the list is true and
21 accurate. The commission shall check the list to verify that the
22 candidate has not received more than twenty-five dollars in aggregate
23 from any one individual and that no single contribution exceeds twenty-
24 five dollars. The commission shall arrange a payment by the state
25 treasurer from the citizens' clean elections fund to the account of the
26 authorized committee of each candidate who qualifies for clean campaign
27 funding an amount that equals two hundred dollars in matching funds for
28 every twenty-five dollars received in contributions by the
29 participating candidate, up to an amount of forty thousand dollars,
30 except under the conditions identified in section 108 of this act.

31 NEW SECTION. **Sec. 108.** EQUAL FUNDING OF CANDIDATES. (1) Whenever
32 during a primary or general election period a report is filed, or other
33 information comes to the attention of the commission, indicating that
34 a nonparticipating candidate for the same office as a participating
35 candidate has raised fifty percent more money than a participating
36 candidate, the commission shall authorize, so long as adequate funding
37 is available, additional funds from the citizens' clean elections fund

1 to the account of the authorized committee of any participating
2 candidate seeking the same office as the nonparticipating candidate,
3 the difference between the total amount raised by the nonparticipating
4 candidate and the total amount raised, including matching funds, by the
5 participating candidate.

6 (2) If the adjusted spending limit reaches twice the spending limit
7 for a particular election, then the commission shall not pay any
8 further amounts from the citizens' clean elections fund to the campaign
9 account of the participating candidate, and the spending limit will not
10 be adjusted further.

11 NEW SECTION. **Sec. 109.** LIMITATIONS ON SPENDING FROM THE CITIZENS'
12 CLEAN ELECTIONS FUND. (1) The commission shall not spend, on all costs
13 incurred under sections 101 through 114 of this act during a particular
14 calendar year, more than two dollars and fifty cents times the
15 population of the state during the previous year, as certified by the
16 office of financial management. This amount may be adjusted by the
17 commission as per the requirements of RCW 42.17.690. The commission
18 may exceed this limit during a calendar year, if it is offset by an
19 equal reduction of the limit during another calendar year during the
20 same four-year period beginning January 1st immediately after a
21 gubernatorial election.

22 (2) The commission may use up to five percent of the amount
23 specified in subsection (1) of this section for reasonable and
24 necessary expenses of administration and enforcement of RCW 42.17.095
25 and sections 101 through 114 of this act. Any portion of the five
26 percent not used for this purpose will remain in the fund.

27 (3) The commission shall apply five percent of the amount specified
28 in subsection (1) of this section for reasonable and necessary expenses
29 necessary to carry out sections 101 through 114 of this act.

30 (4) The state treasurer shall administer a citizens' clean
31 elections fund from which costs incurred under sections 101 through 114
32 of this act will be paid.

33 NEW SECTION. **Sec. 110.** RETURN OF MONEYS TO THE CITIZENS' CLEAN
34 ELECTIONS FUND. (1) At the end of the primary election period, a
35 participating candidate who has received moneys under section 107(1) of
36 this act shall return to the citizens' clean elections fund all moneys

1 in the account of the candidate's authorized committee above an amount
2 sufficient to pay any unpaid bills for expenditures made during the
3 primary election period and for goods or services directed to the
4 primary election.

5 (2) At the end of the general election period, a participating
6 candidate shall return to the citizens' clean elections fund all moneys
7 in the account of the candidate's authorized committee above an amount
8 sufficient to pay any unpaid bills for expenditures made before the
9 general election and for goods or services directed to the general
10 election.

11 (3) At the end of the general election period, a successful
12 participating candidate may hold in surplus up to five hundred dollars
13 for the following purposes:

14 (a) Nonreimbursed public office-related expenses held in a separate
15 account. Dispositions must be reported in accordance with RCW
16 42.17.090. The separate account required under this subsection may not
17 be used for deposits of campaign funds that are not surplus;

18 (b) A future election campaign for the same office last sought by
19 the candidate. Dispositions must be reported in accordance with RCW
20 42.17.090. If the candidate subsequently announces or publicly files
21 for office, information as appropriate must be reported to the
22 commission in accordance with RCW 42.17.040 through 42.17.090. If a
23 subsequent office is not sought the surplus held must be returned to
24 the citizens' clean elections fund.

25 (4) A participating candidate shall pay all uncontested and unpaid
26 bills referred to in this section no later than thirty days after the
27 primary or general election. A participating candidate shall make
28 monthly reports to the commission concerning the status of the dispute
29 over any contested bills. Any moneys in a candidate's campaign account
30 after payment of bills must be returned promptly to the citizens' clean
31 elections fund.

32 (5) If a participating candidate is replaced as the result of a
33 vacancy as provided under RCW 29A.24.210, and the replacement candidate
34 files an oath with the commission certifying to section 102(1)(c) of
35 this act, the campaign account of the participating candidate will be
36 transferred to the replacement candidate and the commission shall
37 certify the replacement candidate as a participating candidate without
38 requiring compliance with section 106 of this act or section 102(1) (a)

1 and (b) of this act. If the replacement candidate does not file such
2 an oath, the account of the authorized committee of the candidate whose
3 position is vacant will be liquidated and all remaining moneys returned
4 to the citizens' clean elections fund.

5 NEW SECTION. **Sec. 111.** CITIZENS' CLEAN ELECTIONS FUND. (1) The
6 citizens' clean elections fund is created in the custody of the state
7 treasurer as a fund separate from the state general fund. All receipts
8 from (a) beginning January 1, 2005, an additional tax on cigarettes per
9 section 118 of this act; (b) amounts returned under section 110 of this
10 act; and (c) amounts turned over under section 113 of this act must be
11 deposited into the fund. Expenditures from the fund may be used only
12 as provided by sections 107 through 109 of this act. Only the
13 commission or its designee may authorize expenditures from the fund.
14 The fund is not subject to allotment procedures under chapter 43.88
15 RCW. All interest earnings and other income obtained from investing
16 money in the fund will remain with the fund, and no portion of these
17 earnings may be returned to the state investment board expense account
18 as otherwise provided under RCW 43.33A.160. An appropriation is not
19 required for expenditures from the fund, including authorized transfers
20 that are made from the fund to the account of the authorized committee
21 of a participating candidate.

22 (2) At least once per year, the commission shall project the amount
23 of money that the fund will receive over each of the next four years,
24 when this money will become available, and the required expenditures
25 from the fund for each of the next four calendar years. Whenever the
26 commission determines that the fund contains more money than the
27 commission determines is required to meet current debts plus expected
28 expenses, under the assumption that expected expenses will be at the
29 expenditure limit in section 109(1) of this act and taking into account
30 the projections of anticipated revenues, the commission shall designate
31 this money as excess and so notify the state treasurer, who shall
32 transfer the excess money to the state general fund. Whenever the
33 commission determines that the citizens' clean elections fund will not
34 contain sufficient money to meet its current debts plus expected
35 expenses, under the assumption that expected expenses will be at the
36 expenditure limit in section 109(1) of this act and taking into account
37 the projections of anticipated revenues, the commission shall notify

1 the legislature of this projected deficiency. The legislature shall
2 appropriate sufficient money from the general fund into the citizens'
3 clean elections fund necessary to meet this deficiency.

4 (3) If the legislature fails to appropriate sufficient money to
5 eliminate the projected deficiency, then the commission shall announce
6 the deficiency. The announcement may include specifications for
7 decreases in the following parameters, based on the commission's
8 projections of collections and expenses for the citizens' clean
9 elections fund, made in the following order:

10 (a) First, the commission may announce a decrease in the amount of
11 matching funds from two hundred dollars for every twenty-five dollars
12 in private contributions to one hundred dollars for every twenty-five
13 dollars in private contributions.

14 (b) Next, the commission may announce that the fund will not
15 provide equalization money under section 108 (1) and (2) of this act.

16 (c) Finally, the commission may announce that the total amount of
17 matching funding will be decreased.

18 (4) If the commission cannot provide participating candidates with
19 all money specified under sections 107 and 108 of this act, as
20 decreased under any announcement under subsection (3) of this section,
21 then the commission shall allocate any reductions in payments
22 proportionately among candidates entitled to money and shall declare an
23 emergency. Upon declaration of an emergency, a participating candidate
24 may accept private contributions in excess of twenty-five dollars, but
25 not more than that allowed under RCW 42.17.640(1) to increase the total
26 money received by the candidate from the fund and from the private
27 contributions to adjust for the lack of funding, as determined by the
28 commission.

29 NEW SECTION. **Sec. 112.** ENFORCEMENT DUTIES. (1) The commission
30 shall:

31 (a) Prescribe forms for reports, statements, notices, and other
32 documents required by RCW 42.17.095 and sections 101 through 114 of
33 this act;

34 (b) Prepare and publish instructions setting forth methods of
35 bookkeeping and preservation of records to facilitate compliance with
36 RCW 42.17.095 and sections 101 through 114 of this act and explaining

1 the duties of persons and committees under RCW 42.17.095 and sections
2 101 through 114 of this act;

3 (c) Adopt rules to implement RCW 42.17.095 and sections 101 through
4 114 of this act, but the joint administrative rules review committee
5 may not make these rules subject to RCW 34.05.328;

6 (d) Enforce RCW 42.17.095 and sections 101 through 114 of this act,
7 ensure that money from the citizens' clean elections fund that is
8 transferred into the account of an authorized committee of a
9 participating candidate is spent as specified in RCW 42.17.095 and
10 sections 101 through 114 of this act and not otherwise, monitor reports
11 filed under RCW 42.17.095 and sections 101 through 114 of this act and
12 financial records of candidates as needed to ensure that equalization
13 moneys are paid promptly to opposing qualified candidates under section
14 108 of this act.

15 (2) Based on the results of the elections in the year 2004 or any
16 subsequent presidential election, and within six months after such an
17 election, the commission may adopt rules changing the number of
18 qualifying contributions required for any office from those listed in
19 section 106(4) of this act by no more than twenty percent of the number
20 applicable for the preceding presidential election.

21 NEW SECTION. **Sec. 113.** CIVIL PENALTIES. (1) The civil penalty
22 for a violation of a contribution or expenditure limit established
23 under section 101 of this act by or on behalf of a participating
24 candidate is ten times the amount by which the expenditures or
25 contributions exceed the applicable limit.

26 (2) In addition to any other penalties imposed by law, the civil
27 penalty for a violation by or on behalf of a participating candidate of
28 a reporting requirement imposed by this chapter is one hundred dollars
29 per day. A civil penalty imposed under this subsection may not exceed
30 twice the amount of expenditures or contributions not reported in a
31 timely manner. The candidate and the candidate's authorized committee
32 are jointly and severally responsible for a civil penalty imposed under
33 this subsection.

34 (3) A participating candidate adjudged to have knowingly committed
35 a violation of section 101 of this act shall repay the amount from his
36 or her personal funds to the citizens' clean elections fund and shall

1 turn over all money in the candidate's authorized committee account to
2 the citizens' clean elections fund.

3 (4) All civil penalties collected under subsections (1) through (3)
4 of this section will be deposited into the citizens' clean elections
5 fund.

6 NEW SECTION. **Sec. 114.** INFLATION AND OTHER ADJUSTMENTS OF DOLLAR
7 VALUES. (1) Every two years, the commission shall modify the dollar
8 values specified in the following sections, in the manner specified by
9 RCW 42.17.370 to account for inflation: (a) Section 101(1) of this
10 act; (b) section 103(1) of this act; (c) section 105(3) of this act;
11 (d) "primary election matching limits" and "general election matching
12 limits"; (e) section 109(1) of this act; (f) section 113(2) of this
13 act. Whenever a dollar value is so adjusted, these statutes will be
14 interpreted to apply to the inflation-adjusted value.

15 (2) Based on the results of the elections in the year 2004 or any
16 presidential election thereafter, and within six months after the
17 election, the commission may adopt rules reallocating funds available
18 to all candidates between the primary and general election by selecting
19 a fraction for primary matching limits that is between one-third and
20 one-half of the matching limits for the election cycle. For each
21 office, the primary election matching limit will be modified to be the
22 sum of the primary and general matching limits times the selected
23 fraction, and the general election matching limit will be modified to
24 be the same sum.

25 **Sec. 115.** RCW 42.17.095 and 1995 c 397 s 31 are each amended to
26 read as follows:

27 The surplus funds of a candidate, or of a political committee
28 supporting or opposing a candidate, may only be disposed of in any one
29 or more of the following ways:

30 (1) Return the surplus to a contributor in an amount not to exceed
31 that contributor's original contribution;

32 (2) Transfer the surplus to the candidate's personal account as
33 reimbursement for lost earnings incurred as a result of that
34 candidate's election campaign. Such lost earnings shall be verifiable
35 as unpaid salary or, when the candidate is not salaried, as an amount
36 not to exceed income received by the candidate for services rendered

1 during an appropriate, corresponding time period. All lost earnings
2 incurred shall be documented and a record thereof shall be maintained
3 by the candidate or the candidate's political committee. The committee
4 shall include a copy of such record when its expenditure for such
5 reimbursement is reported pursuant to RCW 42.17.090;

6 (3) Transfer the surplus without limit to a political party or to
7 a caucus political committee;

8 (4) Donate the surplus to a charitable organization registered in
9 accordance with chapter 19.09 RCW;

10 (5) Transmit the surplus to the state treasurer for deposit in the
11 general fund; (~~(e)~~)

12 (6) Hold the surplus in the campaign depository or depositories
13 designated in accordance with RCW 42.17.050 for possible use in a
14 future election campaign for the same office last sought by the
15 candidate and report any such disposition in accordance with RCW
16 42.17.090: PROVIDED, That if the candidate subsequently announces or
17 publicly files for office, information as appropriate is reported to
18 the commission in accordance with RCW 42.17.040 through 42.17.090. If
19 a subsequent office is not sought the surplus held shall be disposed of
20 in accordance with the requirements of this section(~~(f)~~);

21 (7) Hold the surplus campaign funds in a separate account for
22 nonreimbursed public office-related expenses or as provided in this
23 section, and report any such disposition in accordance with RCW
24 42.17.090. The separate account required under this subsection shall
25 not be used for deposits of campaign funds that are not surplus(~~(g)~~);

26 (8) Notwithstanding subsections (1) through (7) of this section,
27 for those candidates certified for clean election funding, all surplus
28 campaign funds must be transferred to the citizens' clean elections
29 fund;

30 (9) No candidate or authorized committee may transfer funds to any
31 other candidate or other political committee.

32 The disposal of surplus funds under this section shall not be
33 considered a contribution for purposes of this chapter.

34 **Sec. 116.** RCW 42.17.640 and 2001 c 208 s 1 are each amended to
35 read as follows:

36 (1) No person, other than a bona fide political party or a caucus
37 political committee, may make contributions to a candidate for ((a

1 ~~state legislative))~~ public office that in the aggregate exceed ((five))
2 one hundred dollars (~~or to a candidate for a state office other than~~
3 ~~a state legislative office that in the aggregate exceed one thousand~~
4 ~~dollars))~~ for each election in which the candidate is on the ballot or
5 appears as a write-in candidate. Contributions made with respect to a
6 primary may not be made after the date of the primary. However,
7 contributions to a candidate or a candidate's authorized committee may
8 be made with respect to a primary until thirty days after the primary,
9 subject to the following limitations: (a) The candidate lost the
10 primary; (b) the candidate's authorized committee has insufficient
11 funds to pay debts outstanding as of the date of the primary; and (c)
12 the contributions may only be raised and spent to satisfy the
13 outstanding debt. Contributions made with respect to a general
14 election may not be made after the final day of the applicable election
15 cycle.

16 (2) No person, other than a bona fide political party or a caucus
17 political committee, may make contributions to a ((state)) public
18 official against whom recall charges have been filed, or to a political
19 committee having the expectation of making expenditures in support of
20 the recall of the ((state)) public official, during a recall campaign
21 that in the aggregate exceed ((five)) one hundred dollars ((if)) for
22 (~~a state legislative office or one thousand dollars if for a state~~
23 ~~office other than a state legislative)) an elected office.~~

24 (3)(a) Notwithstanding subsection (1) of this section, no bona fide
25 political party or caucus political committee may make contributions to
26 a candidate during an election cycle that in the aggregate exceed (i)
27 ((fifty)) twenty-five cents multiplied by the number of eligible
28 registered voters in the jurisdiction from which the candidate is
29 elected if the contributor is a caucus political committee or the
30 governing body of a state organization, or (ii) ((twenty-five)) fifteen
31 cents multiplied by the number of registered voters in the jurisdiction
32 from which the candidate is elected if the contributor is a county
33 central committee or a legislative district committee.

34 (b) No candidate may accept contributions from a county central
35 committee or a legislative district committee during an election cycle
36 that when combined with contributions from other county central
37 committees or legislative district committees would in the aggregate

1 exceed (~~twenty-five~~) fifteen cents times the number of registered
2 voters in the jurisdiction from which the candidate is elected.

3 (4)(a) Notwithstanding subsection (2) of this section, no bona fide
4 political party or caucus political committee may make contributions to
5 (~~a state~~) an elected official against whom recall charges have been
6 filed, or to a political committee having the expectation of making
7 expenditures in support of the (~~state~~) elected official, during a
8 recall campaign that in the aggregate exceed (i) (~~fifty~~) twenty-five
9 cents multiplied by the number of eligible registered voters in the
10 jurisdiction entitled to recall the (~~state~~) elected official if the
11 contributor is a caucus political committee or the governing body of a
12 state organization, or (ii) (~~twenty-five~~) fifteen cents multiplied by
13 the number of registered voters in the jurisdiction from which the
14 candidate is elected if the contributor is a county central committee
15 or a legislative district committee.

16 (b) No (~~state~~) elected official against whom recall charges have
17 been filed, no authorized committee of the official, and no political
18 committee having the expectation of making expenditures in support of
19 the recall of (~~a state~~) an elected official may accept contributions
20 from a county central committee or a legislative district committee
21 during an election cycle that when combined with contributions from
22 other county central committees or legislative district committees
23 would in the aggregate exceed (~~twenty-five~~) fifteen cents multiplied
24 by the number of registered voters in the jurisdiction from which the
25 candidate is elected.

26 (5) For purposes of determining contribution limits under
27 subsections (3) and (4) of this section, the number of eligible
28 registered voters in a jurisdiction is the number at the time of the
29 most recent general election in the jurisdiction.

30 (6) Notwithstanding subsections (1) through (4) of this section, no
31 person other than an individual, bona fide political party, or caucus
32 political committee may make contributions reportable under this
33 chapter to a caucus political committee (~~that in the aggregate exceed~~
34 ~~five hundred dollars in a calendar year~~) or to a bona fide political
35 party that in the aggregate exceed (~~two thousand five~~) one hundred
36 dollars in a calendar year. This subsection does not apply to loans
37 made in the ordinary course of business.

1 (7) For the purposes of RCW 42.17.640 through 42.17.790, a
2 contribution to the authorized political committee of a candidate, or
3 of ((~~a state~~)) an elected official against whom recall charges have
4 been filed, is considered to be a contribution to the candidate or
5 state official.

6 (8) A contribution received within the twelve-month period after a
7 recall election concerning ((~~a state~~)) an elected office is considered
8 to be a contribution during that recall campaign if the contribution is
9 used to pay a debt or obligation incurred to influence the outcome of
10 that recall campaign.

11 (9) The contributions allowed by subsection (2) of this section are
12 in addition to those allowed by subsection (1) of this section, and the
13 contributions allowed by subsection (4) of this section are in addition
14 to those allowed by subsection (3) of this section.

15 (10) RCW 42.17.640 through 42.17.790 apply to a special election
16 conducted to fill a vacancy in ((~~a state~~)) an elected office. However,
17 the contributions made to a candidate or received by a candidate for a
18 primary or special election conducted to fill such a vacancy shall not
19 be counted toward any of the limitations that apply to the candidate or
20 to contributions made to the candidate for any other primary or
21 election.

22 (11) Notwithstanding the other subsections of this section, no
23 corporation or business entity not doing business in Washington state,
24 no labor union with fewer than ten members who reside in Washington
25 state, and no political committee that has not received contributions
26 of ten dollars or more from at least ten persons registered to vote in
27 Washington state during the preceding one hundred eighty days may make
28 contributions reportable under this chapter to a candidate, to ((~~a~~
29 ~~state~~)) an elected official against whom recall charges have been
30 filed, or to a political committee having the expectation of making
31 expenditures in support of the recall of the official. This subsection
32 does not apply to loans made in the ordinary course of business.

33 (12) Notwithstanding the other subsections of this section, no
34 county central committee or legislative district committee may make
35 contributions reportable under this chapter to a candidate, ((~~state~~))
36 an elected official against whom recall charges have been filed, or a
37 political committee having the expectation of making expenditures in
38 support of the recall of ((~~a state~~)) an elected official if the county

1 central committee or legislative district committee is outside of the
2 jurisdiction entitled to elect the candidate or recall the (~~state~~)
3 official.

4 (13) No person may accept contributions that exceed the
5 contribution limitations provided in this section.

6 (14) The following contributions are exempt from the contribution
7 limits of this section:

8 (a) An expenditure or contribution earmarked for voter
9 registration, for absentee ballot information, for precinct caucuses,
10 for get-out-the-vote campaigns, for precinct judges or inspectors, for
11 sample ballots, or for ballot counting, all without promotion of or
12 political advertising for individual candidates; or

13 (b) An expenditure by a political committee for its own internal
14 organization or fund raising without direct association with individual
15 candidates.

16 **Sec. 117.** RCW 42.17.020 and 2002 c 75 s 1 are each amended to read
17 as follows:

18 (1) "Adjusted spending limit" means a spending limit as further
19 adjusted to account for reported overages under section 108 of this
20 act.

21 (2) "Agency" includes all state agencies and all local agencies.
22 "State agency" includes every state office, department, division,
23 bureau, board, commission, or other state agency. "Local agency"
24 includes every county, city, town, municipal corporation, quasi-
25 municipal corporation, or special purpose district, or any office,
26 department, division, bureau, board, commission, or agency thereof, or
27 other local public agency.

28 (~~(2)~~) (3) "Authorized committee" means the political committee
29 authorized by a candidate, or by the public official against whom
30 recall charges have been filed, to accept contributions or make
31 expenditures on behalf of the candidate or public official.

32 (~~(3)~~) (4) "Ballot proposition" means any "measure" as defined by
33 RCW (~~(29-01-110)~~) 29A.04.091, or any initiative, recall, or referendum
34 proposition proposed to be submitted to the voters of the state or any
35 municipal corporation, political subdivision, or other voting
36 constituency from and after the time when the proposition has been

1 initially filed with the appropriate election officer of that
2 constituency prior to its circulation for signatures.

3 ~~((4))~~ (5) "Benefit" means a commercial, proprietary, financial,
4 economic, or monetary advantage, or the avoidance of a commercial,
5 proprietary, financial, economic, or monetary disadvantage.

6 ~~((5))~~ (6) "Bona fide political party" means:

7 (a) An organization that has filed a valid certificate of
8 nomination with the secretary of state under chapter ~~((29.24))~~ 29A.20
9 RCW;

10 (b) The governing body of the state organization of a major
11 political party, as defined in RCW ~~((29.01.090))~~ 29A.04.085, that is
12 the body authorized by the charter or bylaws of the party to exercise
13 authority on behalf of the state party; or

14 (c) The county central committee or legislative district committee
15 of a major political party. There may be only one legislative district
16 committee for each party in each legislative district.

17 ~~((6) "Depository" means a bank designated by a candidate or
18 political committee pursuant to RCW 42.17.050.~~

19 ~~(7) "Treasurer" and "deputy treasurer" mean the individuals
20 appointed by a candidate or political committee, pursuant to RCW
21 42.17.050, to perform the duties specified in that section.~~

22 ~~(8))~~ (7) "Candidate" means any individual who seeks nomination for
23 election or election to public office. An individual seeks nomination
24 or election when he or she first:

25 (a) Receives contributions or makes expenditures or reserves space
26 or facilities with intent to promote his or her candidacy for office;

27 (b) Announces publicly or files for office;

28 (c) Purchases commercial advertising space or broadcast time to
29 promote his or her candidacy; or

30 (d) Gives his or her consent to another person to take on behalf of
31 the individual any of the actions in (a) or (c) of this subsection.

32 ~~((9))~~ (8) "Caucus political committee" means a political
33 committee organized and maintained by the members of a major political
34 party in the state senate or state house of representatives.

35 ~~((10))~~ (9) "Commercial advertiser" means any person who sells the
36 service of communicating messages or producing printed material for
37 broadcast or distribution to the general public or segments of the

1 general public whether through the use of newspapers, magazines,
2 television and radio stations, billboard companies, direct mail
3 advertising companies, printing companies, or otherwise.

4 ~~((+11+))~~ (10) "Commission" means the agency established under RCW
5 42.17.350.

6 ~~((+12+))~~ (11) "Compensation" unless the context requires a narrower
7 meaning, includes payment in any form for real or personal property or
8 services of any kind: PROVIDED, That for the purpose of compliance
9 with RCW 42.17.241, the term "compensation" shall not include per diem
10 allowances or other payments made by a governmental entity to reimburse
11 a public official for expenses incurred while the official is engaged
12 in the official business of the governmental entity.

13 ~~((+13+))~~ (12) "Continuing political committee" means a political
14 committee that is an organization of continuing existence not
15 established in anticipation of any particular election campaign.

16 ~~((+14+))~~ (13)(a) "Contribution" includes:

17 (i) A loan, gift, deposit, subscription, forgiveness of
18 indebtedness, donation, advance, pledge, payment, transfer of funds
19 between political committees, or anything of value, including personal
20 and professional services for less than full consideration;

21 (ii) An expenditure made by a person in cooperation, consultation,
22 or concert with, or at the request or suggestion of, a candidate, a
23 political committee, or their agents;

24 (iii) The financing by a person of the dissemination, distribution,
25 or republication, in whole or in part, of broadcast, written, graphic,
26 or other form of political advertising prepared by a candidate, a
27 political committee, or its authorized agent;

28 (iv) Sums paid for tickets to fund-raising events such as dinners
29 and parties, except for the actual cost of the consumables furnished at
30 the event.

31 (b) "Contribution" does not include:

32 (i) Standard interest on money deposited in a political committee's
33 account;

34 (ii) Ordinary home hospitality;

35 (iii) A contribution received by a candidate or political committee
36 that is returned to the contributor within five business days of the
37 date on which it is received by the candidate or political committee;

1 (iv) A news item, feature, commentary, or editorial in a regularly
2 scheduled news medium that is of primary interest to the general
3 public, that is in a news medium controlled by a person whose business
4 is that news medium, and that is not controlled by a candidate or a
5 political committee;

6 (v) An internal political communication primarily limited to the
7 members of or contributors to a political party organization or
8 political committee, or to the officers, management staff, or
9 stockholders of a corporation or similar enterprise, or to the members
10 of a labor organization or other membership organization;

11 (vi) The rendering of personal services of the sort commonly
12 performed by volunteer campaign workers, or incidental expenses
13 personally incurred by volunteer campaign workers not in excess of
14 fifty dollars personally paid for by the worker. "Volunteer services,"
15 for the purposes of this section, means services or labor for which the
16 individual is not compensated by any person;

17 (vii) Messages in the form of reader boards, banners, or yard or
18 window signs displayed on a person's own property or property occupied
19 by a person. However, a facility used for such political advertising
20 for which a rental charge is normally made must be reported as an in-
21 kind contribution and counts towards any applicable contribution limit
22 of the person providing the facility;

23 (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

27 (B) A candidate or an authorized committee if the person paying for
28 the services is the regular employer of the individual rendering the
29 services and if the services are solely for the purpose of ensuring
30 compliance with state election or public disclosure laws.

31 (c) Contributions other than money or its equivalent are deemed to
32 have a monetary value equivalent to the fair market value of the
33 contribution. Services or property or rights furnished at less than
34 their fair market value for the purpose of assisting any candidate or
35 political committee are deemed a contribution. Such a contribution
36 must be reported as an in-kind contribution at its fair market value
37 and counts towards any applicable contribution limit of the provider.

1 (14) "Depository" means a bank designated by a candidate or
2 political committee under RCW 42.17.050.

3 (15) "Elected official" means any person elected at a general or
4 special election to any public office, and any person appointed to fill
5 a vacancy in any such office.

6 (16) "Election" includes any primary, general, or special election
7 for public office and any election in which a ballot proposition is
8 submitted to the voters: PROVIDED, That an election in which the
9 qualifications for voting include other than those requirements set
10 forth in Article VI, section 1 (Amendment 63) of the Constitution of
11 the state of Washington shall not be considered an election for
12 purposes of this chapter.

13 (17) "Election campaign" means any campaign in support of or in
14 opposition to a candidate for election to public office and any
15 campaign in support of, or in opposition to, a ballot proposition.

16 (18) "Election cycle" means the period beginning on the first day
17 of December after the date of the last previous general election for
18 the office that the candidate seeks and ending on November 30th after
19 the next election for the office. In the case of a special election to
20 fill a vacancy in an office, "election cycle" means the period
21 beginning on the day the vacancy occurs and ending on November 30th
22 after the special election.

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

37 (20) "Exploratory period" means the period beginning on the day

1 after the previous general election for the office being sought and
2 ending the day before the start of the qualifying period for that
3 office.

4 (21) "Final report" means the report described as a final report in
5 RCW 42.17.080(2).

6 ~~((+21+))~~ (22) "General election" for the purposes of RCW 42.17.640
7 means the election that results in the election of a person to a state
8 office. It does not include a primary.

9 ~~((+22+))~~ (23) "General election period" means the period beginning
10 on the day after the primary election and ending on the day of the
11 general election. For a recall election, the "general election period"
12 extends from the day after the end of the qualifying period to the day
13 of the recall election.

14 (24) "General election matching limits" means forty thousand
15 dollars.

16 (25) "Gift," is as defined in RCW 42.52.010.

17 ~~((+23+))~~ (26) "Immediate family" includes the spouse, dependent
18 children, and other dependent relatives, if living in the household.
19 For the purposes of RCW 42.17.640 through 42.17.790, "immediate family"
20 means an individual's spouse, and child, stepchild, grandchild, parent,
21 stepparent, grandparent, brother, half brother, sister, or half sister
22 of the individual and the spouse of any such person and a child,
23 stepchild, grandchild, parent, stepparent, grandparent, brother, half
24 brother, sister, or half sister of the individual's spouse and the
25 spouse of any such person.

26 ~~((+24+))~~ (27) "Independent expenditure" means an expenditure that
27 has each of the following elements:

28 (a) It is made in support of or in opposition to a candidate for
29 office by a person who is not (i) a candidate for that office, (ii) an
30 authorized committee of that candidate for that office, (iii) a person
31 who has received the candidate's encouragement or approval to make the
32 expenditure, if the expenditure pays in whole or in part for political
33 advertising supporting that candidate or promoting the defeat of any
34 other candidate or candidates for that office, or (iv) a person with
35 whom the candidate has collaborated for the purpose of making the
36 expenditure, if the expenditure pays in whole or in part for political
37 advertising supporting that candidate or promoting the defeat of any
38 other candidate or candidates for that office;

1 (b) The expenditure pays in whole or in part for political
2 advertising that either specifically names the candidate supported or
3 opposed, or clearly and beyond any doubt identifies the candidate
4 without using the candidate's name; and

5 (c) The expenditure, alone or in conjunction with another
6 expenditure or other expenditures of the same person in support of or
7 opposition to that candidate, has a value of five hundred dollars or
8 more. A series of expenditures, each of which is under five hundred
9 dollars, constitutes one independent expenditure if their cumulative
10 value is five hundred dollars or more.

11 ~~((+25+))~~ (28)(a) "Intermediary" means an individual who transmits
12 a contribution to a candidate or committee from another person unless
13 the contribution is from the individual's employer, immediate family as
14 defined for purposes of RCW 42.17.640 through 42.17.790, or an
15 association to which the individual belongs.

16 (b) A treasurer or a candidate is not an intermediary for purposes
17 of the committee that the treasurer or candidate serves.

18 (c) A professional fund-raiser is not an intermediary if the fund-
19 raiser is compensated for fund-raising services at the usual and
20 customary rate.

21 (d) A volunteer hosting a fund-raising event at the individual's
22 home is not an intermediary for purposes of that event.

23 ~~((+26+))~~ (29) "Legislation" means bills, resolutions, motions,
24 amendments, nominations, and other matters pending or proposed in
25 either house of the state legislature, and includes any other matter
26 that may be the subject of action by either house or any committee of
27 the legislature and all bills and resolutions that, having passed both
28 houses, are pending approval by the governor.

29 ~~((+27+))~~ (30) "Lobby" and "lobbying" each mean attempting to
30 influence the passage or defeat of any legislation by the legislature
31 of the state of Washington, or the adoption or rejection of any rule,
32 standard, rate, or other legislative enactment of any state agency
33 under the state Administrative Procedure Act, chapter 34.05 RCW.
34 Neither "lobby" nor "lobbying" includes an association's or other
35 organization's act of communicating with the members of that
36 association or organization.

37 ~~((+28+))~~ (31) "Lobbyist" includes any person who lobbies either in
38 his or her own or another's behalf.

1 ~~((+29+))~~ (32) "Lobbyist's employer" means the person or persons by
2 whom a lobbyist is employed and all persons by whom he or she is
3 compensated for acting as a lobbyist.

4 ~~((+30+))~~ (33) "Nonparticipating candidate" means a candidate who
5 does not become certified as a participating candidate under section
6 102 of this act and the authorized committee of the candidate.

7 (34) "Participating candidate" means a candidate who becomes
8 certified as a participating candidate under section 102 of this act
9 and the authorized committee of the candidate.

10 (35) "Person" includes an individual, partnership, joint venture,
11 public or private corporation, association, federal, state, or local
12 governmental entity or agency however constituted, candidate,
13 committee, political committee, political party, executive committee
14 thereof, or any other organization or group of persons, however
15 organized.

16 ~~((+31+))~~ (36) "Person in interest" means the person who is the
17 subject of a record or any representative designated by that person,
18 except that if that person is under a legal disability, the term
19 "person in interest" means and includes the parent or duly appointed
20 legal representative.

21 ~~((+32+))~~ (37) "Political advertising" includes any advertising
22 displays, newspaper ads, billboards, signs, brochures, articles,
23 tabloids, flyers, letters, radio or television presentations, or other
24 means of mass communication, used for the purpose of appealing,
25 directly or indirectly, for votes or for financial or other support in
26 any election campaign.

27 ~~((+33+))~~ (38) "Political committee" means any person (except a
28 candidate or an individual dealing with his or her own funds or
29 property) having the expectation of receiving contributions or making
30 expenditures in support of, or opposition to, any candidate or any
31 ballot proposition.

32 ~~((+34+))~~ (39) "Primary" for the purposes of RCW 42.17.640 means the
33 procedure for nominating a candidate to state office under chapter
34 ~~((29.18 or 29.21))~~ 29A.52 RCW or any other primary for an election that
35 uses, in large measure, the procedures established in chapter ~~((29.18~~
36 ~~or 29.21))~~ 29A.52 RCW.

37 ~~((+35+))~~ (40) "Primary election matching limits" means forty
38 thousand dollars.

1 (41) "Primary period" means the nine-week period ending on the day
2 of the primary election. There is no primary period for a recall
3 election.

4 (42) "Public office" means any federal, state, judicial, county,
5 city, town, school district, port district, special district, or other
6 state political subdivision elective office.

7 ~~((36))~~ (43) "Public record" includes any writing containing
8 information relating to the conduct of government or the performance of
9 any governmental or proprietary function prepared, owned, used, or
10 retained by any state or local agency regardless of physical form or
11 characteristics. For the office of the secretary of the senate and the
12 office of the chief clerk of the house of representatives, public
13 records means legislative records as defined in RCW 40.14.100 and also
14 means the following: All budget and financial records; personnel
15 leave, travel, and payroll records; records of legislative sessions;
16 reports submitted to the legislature; and any other record designated
17 a public record by any official action of the senate or the house of
18 representatives.

19 ~~((37))~~ (44) "Qualifying period" means the period beginning on the
20 first day of August in the year before an election, for an election for
21 state office other than legislative, or on the first day of January of
22 an election year, for an election for state legislative office and
23 ending on the close of the regular filing period for the office. For
24 a recall election, the qualifying period begins when the election is
25 called and lasts for thirty days.

26 (45) "Recall campaign" means the period of time beginning on the
27 date of the filing of recall charges under RCW ~~((29.82.015))~~ 29A.56.120
28 and ending thirty days after the recall election.

29 ~~((38))~~ (46) "State legislative office" means the office of a
30 member of the state house of representatives or the office of a member
31 of the state senate.

32 ~~((39))~~ (47) "State office" means state legislative office or the
33 office of governor, lieutenant governor, secretary of state, attorney
34 general, commissioner of public lands, insurance commissioner,
35 superintendent of public instruction, state auditor, or state
36 treasurer.

37 ~~((40))~~ (48) "State official" means a person who holds a state
38 office.

1 ~~((41))~~ (49) "Surplus funds" mean, in the case of a political
2 committee or candidate, the balance of contributions that remain in the
3 possession or control of that committee or candidate subsequent to the
4 election for which the contributions were received, and that are in
5 excess of the amount necessary to pay remaining debts incurred by the
6 committee or candidate prior to that election. In the case of a
7 continuing political committee, "surplus funds" mean those
8 contributions remaining in the possession or control of the committee
9 that are in excess of the amount necessary to pay all remaining debts
10 when it makes its final report under RCW 42.17.065.

11 ~~((42))~~ (50) "Treasurer" and "deputy treasurer" mean the
12 individuals appointed by a candidate or political committee, under RCW
13 42.17.050, to perform the duties specified in that section.

14 (51) "Writing" means handwriting, typewriting, printing,
15 photostating, photographing, and every other means of recording any
16 form of communication or representation, including, but not limited to,
17 letters, words, pictures, sounds, or symbols, or combination thereof,
18 and all papers, maps, magnetic or paper tapes, photographic films and
19 prints, motion picture, film and video recordings, magnetic or punched
20 cards, discs, drums, diskettes, sound recordings, and other documents
21 including existing data compilations from which information may be
22 obtained or translated.

23 As used in this chapter, the singular shall take the plural and any
24 gender, the other, as the context requires.

25 NEW SECTION. **Sec. 118.** A new section is added to chapter 82.24
26 RCW to read as follows:

27 In addition to the tax imposed upon the sale, use, consumption,
28 handling, possession, or distribution of cigarettes set forth in RCW
29 82.24.020, there is imposed a tax in an amount equal to the rate of
30 five mills per cigarette effective January 1, 2005. All revenues
31 collected during any month from this additional tax must be deposited
32 in the citizens' clean elections fund created under section 111 of this
33 act by the twenty-fifth day of the following month.

34 NEW SECTION. **Sec. 119.** RCW 42.17.128 (Use of public funds for
35 political purposes) and 1993 c 2 s 24 are each repealed.

1 NEW SECTION. **Sec. 120.** Sections 101 through 116 of this act may
2 be known as the Citizens' Clean Elections Act.

3 NEW SECTION. **Sec. 121.** Sections 101 through 114 of this act are
4 each added to chapter 42.17 RCW.

5 NEW SECTION. **Sec. 122.** Captions and part headings used in this
6 act are not part of the law.

7 NEW SECTION. **Sec. 123.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

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