

SSB 5034 - S AMD 321
By Senator Kastama

PULLED 03/16/2005

1 Strike everything after the enacting clause and insert the
2 following:

3 "PART I - FINDINGS AND INTENT

4 NEW SECTION. **Sec. 1.** The legislature finds that:

5 (1) Timely disclosure to voters of the identity and sources of
6 funding for electioneering communications is vitally important to the
7 integrity of state, local, and judicial elections.

8 (2) Electioneering communications that identify political
9 candidates for state, local, or judicial office and that are
10 distributed sixty days before an election for those offices are
11 intended to influence voters and the outcome of those elections.

12 (3) The state has a compelling interest in providing voters
13 information about electioneering communications in political campaigns
14 concerning candidates for state, local, or judicial office so that
15 voters can be fully informed as to the: (a) Source of support or
16 opposition to those candidates; and (b) identity of persons attempting
17 to influence the outcome of state, local, and judicial candidate
18 elections.

19 (4) Nondisclosure of financial information about advertising that
20 masquerades as relating only to issues and not to candidate campaigns
21 fosters corruption or the appearance of corruption. These consequences
22 can be substantially avoided by full disclosure of the identity and
23 funding of those persons paying for such advertising.

24 (5) The United States supreme court held in *McConnell et al. v.*
25 *Federal Elections Commission*, 540 U.S. 93, 124 S.Ct. 619, 157 L.Ed.2d
26 491 (2003) that speakers seeking to influence elections do not possess
27 an inviolable free speech right to engage in electioneering
28 communications regarding elections, including when issue advocacy is

1 the functional equivalent of express advocacy. Therefore, such
2 election campaign communications can be regulated and the source of
3 funding disclosed.

4 (6) The state also has a sufficiently compelling interest in
5 preventing corruption in political campaigns to justify and restore
6 contribution limits and restrictions on the use of soft money in RCW
7 42.17.640. Those interests include restoring restrictions on the use
8 of such funds for electioneering communications, as well as the laws
9 preventing circumvention of those limits and restrictions.

10 NEW SECTION. **Sec. 2.** Based upon the findings in section 1 of this
11 act, this act is narrowly tailored to accomplish the following and is
12 intended to:

13 (1) Improve the disclosure to voters of information concerning
14 persons and entities seeking to influence state, local, and judicial
15 campaigns through reasonable and effective mechanisms, including
16 improving disclosure of the source, identity, and funding of
17 electioneering communications concerning state, local, and judicial
18 candidate campaigns;

19 (2) Regulate electioneering communications that mention state,
20 local, and judicial candidates and that are broadcast, mailed, erected,
21 distributed, or otherwise published right before the election so that
22 the public knows who is paying for such communications;

23 (3) Reenact and amend the contribution limits in RCW 42.17.640 (6)
24 and (14) and the restrictions on the use of soft money, including as
25 applied to electioneering communications, as those limits and
26 restrictions were in effect following the passage of chapter 2, Laws of
27 1993 (Initiative No. 134) and before the state supreme court decision
28 in *Washington State Republican Party v. Washington State Public*
29 *Disclosure Commission*, 141 Wn.2d 245, 4 P.3d 808 (2000). The
30 commission is authorized to fully restore the implementation of the
31 limits and restrictions of RCW 42.17.640 (6) and (14) in light of
32 *McConnell et al. v. Federal Elections Commission*, 540 U.S. 93, 124
33 S.Ct. 619, 157 L.Ed.2d 491 (2003). The United States supreme court
34 upheld the disclosure and regulation of electioneering communications
35 in political campaigns, including but not limited to issue advocacy
36 that is the functional equivalent of express advocacy;

37 (4) Authorize the commission to adopt rules to implement this act.

PART II - ELECTIONEERING COMMUNICATIONS

NEW SECTION. **Sec. 3.** (1) A payment for or promise to pay for any electioneering communication shall be reported to the commission by the sponsor on forms the commission shall develop by rule to include, at a minimum, the following information:

(a) Name and address of the sponsor;

(b) Source of funds for the communication, including:

(i) General treasury funds. The name and address of businesses, unions, groups, associations, or other organizations using general treasury funds for the communication, however, if a business, union, group, association, or other organization undertakes a special solicitation of its members or other persons for an electioneering communication, or it otherwise receives funds for an electioneering communication, that entity shall report pursuant to (b)(ii) of this subsection;

(ii) Special solicitations and other funds. The name, address, and, for individuals, occupation and employer, of a person whose funds were used to pay for the electioneering communication, along with the amount, if such funds from the person have exceeded two hundred fifty dollars in the aggregate for the electioneering communication; and

(iii) Any other source information required or exempted by the commission by rule;

(c) Name and address of the person to whom an electioneering communication related expenditure was made;

(d) A detailed description of each expenditure of more than one hundred dollars;

(e) The date the expenditure was made and the date the electioneering communication was first broadcast, transmitted, mailed, erected, distributed, or otherwise published;

(f) The amount of the expenditure;

(g) The name of each candidate clearly identified in the electioneering communication, the office being sought by each candidate, and the amount of the expenditure attributable to each candidate; and

(h) Any other information the commission may require or exempt by rule.

1 (2) Electioneering communications shall be reported as follows:
2 The sponsor of an electioneering communication shall report to the
3 commission within twenty-four hours of, or on the first working day
4 after, the date the electioneering communication is broadcast,
5 transmitted, mailed, erected, distributed, or otherwise published.

6 (3) Electioneering communications shall be reported electronically
7 by the sponsor using software provided or approved by the commission.
8 The commission may make exceptions on a case-by-case basis for a
9 sponsor who lacks the technological ability to file reports using the
10 electronic means provided or approved by the commission.

11 (4) All persons required to report under RCW 42.17.065, 42.17.080,
12 42.17.090, and 42.17.100 are subject to the requirements of this
13 section, although the commission may determine by rule that persons
14 filing according to those sections may be exempt from reporting some of
15 the information otherwise required by this section. The commission may
16 determine that reports filed pursuant to this section also satisfy the
17 requirements of RCW 42.17.100 and 42.17.103.

18 (5) Failure of any sponsor to report electronically under this
19 section shall be a violation of this chapter.

20 NEW SECTION. **Sec. 4.** (1) An electioneering communication made by
21 a person in cooperation, consultation, or concert with, or at the
22 request or suggestion of, a candidate, a candidate's authorized
23 committee, or their agents is a contribution to the candidate.

24 (2) An electioneering communication made by a person in
25 cooperation, consultation, or concert with, or at the request or
26 suggestion of, a political committee or its agents is a contribution to
27 the political committee.

28 (3) If an electioneering communication is not a contribution
29 pursuant to subsection (1) or (2) of this section, the sponsor shall
30 file an affidavit or declaration so stating at the time the sponsor is
31 required to report the electioneering communication expense under
32 section 3 of this act.

33 NEW SECTION. **Sec. 5.** (1) The sponsor of an electioneering
34 communication shall preserve all financial records relating to the
35 communication, including books of account, bills, receipts, contributor

1 information, and ledgers, for not less than five calendar years
2 following the year in which the communication was broadcast,
3 transmitted, mailed, erected, or otherwise published.

4 (2) All reports filed under section 3 of this act shall be
5 certified as correct by the sponsor. If the sponsor is an individual
6 using his or her own funds to pay for the communication, the
7 certification shall be signed by the individual. If the sponsor is a
8 political committee, the certification shall be signed by the committee
9 treasurer. If the sponsor is another entity, the certification shall
10 be signed by the individual responsible for authorizing the expenditure
11 on the entity's behalf.

12 **PART III - AMENDMENTS TO AND REENACTMENT OF CURRENT LAWS**

13 **Sec. 6.** RCW 42.17.020 and 2002 c 75 s 1 are each amended to read
14 as follows:

15 The definitions in this section apply throughout this chapter
16 unless the context clearly requires otherwise.

17 (1) "Actual malice" means to act with knowledge of falsity or with
18 reckless disregard as to truth or falsity.

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

26 ~~((+2))~~ (3) "Authorized committee" means the political committee
27 authorized by a candidate, or by the public official against whom
28 recall charges have been filed, to accept contributions or make
29 expenditures on behalf of the candidate or public official.

30 ~~((+3))~~ (4) "Ballot proposition" means any "measure" as defined by
31 RCW ~~((29-01-110))~~ 29A.04.091, or any initiative, recall, or referendum
32 proposition proposed to be submitted to the voters of the state or any
33 municipal corporation, political subdivision, or other voting
34 constituency from and after the time when the proposition has been
35 initially filed with the appropriate election officer of that
36 constituency prior to its circulation for signatures.

1 ~~((4))~~ (5) "Benefit" means a commercial, proprietary, financial,
2 economic, or monetary advantage, or the avoidance of a commercial,
3 proprietary, financial, economic, or monetary disadvantage.

4 ~~((5))~~ (6) "Bona fide political party" means:

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

8 (b) The governing body of the state organization of a major
9 political party, as defined in RCW ~~((29.01.090))~~ 29A.04.086, that is
10 the body authorized by the charter or bylaws of the party to exercise
11 authority on behalf of the state party; or

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

15 ~~((6))~~ (7) "Depository" means a bank designated by a candidate or
16 political committee pursuant to RCW 42.17.050.

17 ~~((7))~~ (8) "Treasurer" and "deputy treasurer" mean the individuals
18 appointed by a candidate or political committee, pursuant to RCW
19 42.17.050, to perform the duties specified in that section.

20 ~~((8))~~ (9) "Candidate" means any individual who seeks nomination
21 for election or election to public office. An individual seeks
22 nomination or election when he or she first:

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

25 (b) Announces publicly or files for office;

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

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

30 ~~((9))~~ (10) "Caucus political committee" means a political
31 committee organized and maintained by the members of a major political
32 party in the state senate or state house of representatives.

33 ~~((10))~~ (11) "Commercial advertiser" means any person who sells
34 the service of communicating messages or producing printed material for
35 broadcast or distribution to the general public or segments of the
36 general public whether through the use of newspapers, magazines,
37 television and radio stations, billboard companies, direct mail
38 advertising companies, printing companies, or otherwise.

1 (~~(11)~~) (12) "Commission" means the agency established under RCW
2 42.17.350.

3 (~~(12)~~) (13) "Compensation" unless the context requires a narrower
4 meaning, includes payment in any form for real or personal property or
5 services of any kind: PROVIDED, That for the purpose of compliance
6 with RCW 42.17.241, the term "compensation" shall not include per diem
7 allowances or other payments made by a governmental entity to reimburse
8 a public official for expenses incurred while the official is engaged
9 in the official business of the governmental entity.

10 (~~(13)~~) (14) "Continuing political committee" means a political
11 committee that is an organization of continuing existence not
12 established in anticipation of any particular election campaign.

13 (~~(14)~~) (15)(a) "Contribution" includes:

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

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

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

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

29 (b) "Contribution" does not include:

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

32 (ii) Ordinary home hospitality;

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

36 (iv) A news item, feature, commentary, or editorial in a regularly
37 scheduled news medium that is of primary interest to the general

1 public, that is in a news medium controlled by a person whose business
2 is that news medium, and that is not controlled by a candidate or a
3 political committee;

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

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

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

21 (viii) Legal or accounting services rendered to or on behalf of:

22 (A) A political party or caucus political committee if the person
23 paying for the services is the regular employer of the person rendering
24 such services; or

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

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

36 ((+15+)) (16) "Elected official" means any person elected at a
37 general or special election to any public office, and any person
38 appointed to fill a vacancy in any such office.

1 ~~((16))~~ (17) "Election" includes any primary, general, or special
2 election for public office and any election in which a ballot
3 proposition is submitted to the voters: PROVIDED, That an election in
4 which the qualifications for voting include other than those
5 requirements set forth in Article VI, section 1 (Amendment 63) of the
6 Constitution of the state of Washington shall not be considered an
7 election for purposes of this chapter.

8 ~~((17))~~ (18) "Election campaign" means any campaign in support of
9 or in opposition to a candidate for election to public office and any
10 campaign in support of, or in opposition to, a ballot proposition.

11 ~~((18))~~ (19) "Election cycle" means the period beginning on the
12 first day of December after the date of the last previous general
13 election for the office that the candidate seeks and ending on November
14 30th after the next election for the office. In the case of a special
15 election to fill a vacancy in an office, "election cycle" means the
16 period beginning on the day the vacancy occurs and ending on November
17 30th after the special election.

18 ~~((19))~~ (20) "Electioneering communication" means any broadcast,
19 cable, or satellite television or radio transmission, United States
20 postal service mailing, billboard, newspaper, or periodical that:

21 (a) Clearly identifies a candidate for a state, local, or judicial
22 office either by specifically naming the candidate, or identifying the
23 candidate without using the candidate's name;

24 (b) Is broadcast, transmitted, mailed, erected, distributed, or
25 otherwise published within sixty days before any election for that
26 office in the jurisdiction in which the candidate is seeking election;
27 and

28 (c) Either alone, or in combination with one or more communications
29 identifying the candidate by the same sponsor during the sixty days
30 before an election, has a fair market value of five thousand dollars or
31 more.

32 (21) "Electioneering communication" does not include:

33 (a) Usual and customary advertising of a business owned by a
34 candidate, even if the candidate is mentioned in the advertising when
35 the candidate has been regularly mentioned in that advertising
36 appearing at least twelve months preceding his or her becoming a
37 candidate;

1 (b) Advertising for candidate debates or forums when the
2 advertising is paid for by or on behalf of the debate or forum sponsor,
3 so long as two or more candidates for the same position have been
4 invited to participate in the debate or forum;

5 (c) A news item, feature, commentary, or editorial in a regularly
6 scheduled news medium that is:

7 (i) Of primary interest to the general public;

8 (ii) In a news medium controlled by a person whose business is that
9 news medium; and

10 (iii) Not a medium controlled by a candidate or a political
11 committee;

12 (d) Slate cards and sample ballots;

13 (e) Advertising for books, films, dissertations, or similar works
14 (i) written by a candidate when the candidate entered into a contract
15 for such publications or media at least twelve months before becoming
16 a candidate, or (ii) written about a candidate;

17 (f) Public service announcements;

18 (g) A mailed internal political communication primarily limited to
19 the members of or contributors to a political party organization or
20 political committee, or to the officers, management staff, or
21 stockholders of a corporation or similar enterprise, or to the members
22 of a labor organization or other membership organization;

23 (h) An expenditure by or contribution to the authorized committee
24 of a candidate for state, local, or judicial office; or

25 (i) Any other communication exempted by the commission through rule
26 consistent with the intent of this chapter.

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

1 term "expenditure" shall not include the partial or complete repayment
2 by a candidate or political committee of the principal of a loan, the
3 receipt of which loan has been properly reported.

4 ~~((+20+))~~ (23) "Final report" means the report described as a final
5 report in RCW 42.17.080(2).

6 ~~((+21+))~~ (24) "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+))~~ (25) "Gift," is as defined in RCW 42.52.010.

10 ~~((+23+))~~ (26) "Immediate family" includes the spouse, dependent
11 children, and other dependent relatives, if living in the household.
12 For the purposes of RCW 42.17.640 through 42.17.790, "immediate family"
13 means an individual's spouse, and child, stepchild, grandchild, parent,
14 stepparent, grandparent, brother, half brother, sister, or half sister
15 of the individual and the spouse of any such person and a child,
16 stepchild, grandchild, parent, stepparent, grandparent, brother, half
17 brother, sister, or half sister of the individual's spouse and the
18 spouse of any such person.

19 ~~((+24+))~~ (27) "Incumbent" means a person who is in present
20 possession of an elected office.

21 (28) "Independent expenditure" means an expenditure that has each
22 of the following elements:

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

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

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

7 ~~((+25+))~~ (29)(a) "Intermediary" means an individual who transmits
8 a contribution to a candidate or committee from another person unless
9 the contribution is from the individual's employer, immediate family as
10 defined for purposes of RCW 42.17.640 through 42.17.790, or an
11 association to which the individual belongs.

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

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

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

19 ~~((+26+))~~ (30) "Legislation" means bills, resolutions, motions,
20 amendments, nominations, and other matters pending or proposed in
21 either house of the state legislature, and includes any other matter
22 that may be the subject of action by either house or any committee of
23 the legislature and all bills and resolutions that, having passed both
24 houses, are pending approval by the governor.

25 ~~((+27+))~~ (31) "Lobby" and "lobbying" each mean attempting to
26 influence the passage or defeat of any legislation by the legislature
27 of the state of Washington, or the adoption or rejection of any rule,
28 standard, rate, or other legislative enactment of any state agency
29 under the state Administrative Procedure Act, chapter 34.05 RCW.
30 Neither "lobby" nor "lobbying" includes an association's or other
31 organization's act of communicating with the members of that
32 association or organization.

33 ~~((+28+))~~ (32) "Lobbyist" includes any person who lobbies either in
34 his or her own or another's behalf.

35 ~~((+29+))~~ (33) "Lobbyist's employer" means the person or persons by
36 whom a lobbyist is employed and all persons by whom he or she is
37 compensated for acting as a lobbyist.

1 ~~((30))~~ (34) "Person" includes an individual, partnership, joint
2 venture, public or private corporation, association, federal, state, or
3 local governmental entity or agency however constituted, candidate,
4 committee, political committee, political party, executive committee
5 thereof, or any other organization or group of persons, however
6 organized.

7 ~~((31))~~ (35) "Person in interest" means the person who is the
8 subject of a record or any representative designated by that person,
9 except that if that person is under a legal disability, the term
10 "person in interest" means and includes the parent or duly appointed
11 legal representative.

12 ~~((32))~~ (36) "Political advertising" includes any advertising
13 displays, newspaper ads, billboards, signs, brochures, articles,
14 tabloids, flyers, letters, radio or television presentations, or other
15 means of mass communication, used for the purpose of appealing,
16 directly or indirectly, for votes or for financial or other support or
17 opposition in any election campaign.

18 ~~((33))~~ (37) "Political committee" means any person (except a
19 candidate or an individual dealing with his or her own funds or
20 property) having the expectation of receiving contributions or making
21 expenditures in support of, or opposition to, any candidate or any
22 ballot proposition.

23 ~~((34))~~ (38) "Primary" for the purposes of RCW 42.17.640 means the
24 procedure for nominating a candidate to state office under chapter
25 ~~((29.18 or 29.21))~~ 29A.52 RCW or any other primary for an election that
26 uses, in large measure, the procedures established in chapter ~~((29.18~~
27 ~~or 29.21))~~ 29A.52 RCW.

28 ~~((35))~~ (39) "Public office" means any federal, state, judicial,
29 county, city, town, school district, port district, special district,
30 or other state political subdivision elective office.

31 ~~((36))~~ (40) "Public record" includes any writing containing
32 information relating to the conduct of government or the performance of
33 any governmental or proprietary function prepared, owned, used, or
34 retained by any state or local agency regardless of physical form or
35 characteristics. For the office of the secretary of the senate and the
36 office of the chief clerk of the house of representatives, public
37 records means legislative records as defined in RCW 40.14.100 and also
38 means the following: All budget and financial records; personnel

1 leave, travel, and payroll records; records of legislative sessions;
2 reports submitted to the legislature; and any other record designated
3 a public record by any official action of the senate or the house of
4 representatives.

5 ~~((37))~~ (41) "Recall campaign" means the period of time beginning
6 on the date of the filing of recall charges under RCW ~~((29.82.015))~~
7 29A.56.120 and ending thirty days after the recall election.

8 ~~((38))~~ (42) "Sponsor of an electioneering communications,
9 independent expenditures, or political advertising" means the person
10 paying for the electioneering communication, independent expenditure,
11 or political advertising. If a person acts as an agent for another or
12 is reimbursed by another for the payment, the original source of the
13 payment is the sponsor.

14 (43) "State legislative office" means the office of a member of the
15 state house of representatives or the office of a member of the state
16 senate.

17 ~~((39))~~ (44) "State office" means state legislative office or the
18 office of governor, lieutenant governor, secretary of state, attorney
19 general, commissioner of public lands, insurance commissioner,
20 superintendent of public instruction, state auditor, or state
21 treasurer.

22 ~~((40))~~ (45) "State official" means a person who holds a state
23 office.

24 ~~((41))~~ (46) "Surplus funds" mean, in the case of a political
25 committee or candidate, the balance of contributions that remain in the
26 possession or control of that committee or candidate subsequent to the
27 election for which the contributions were received, and that are in
28 excess of the amount necessary to pay remaining debts incurred by the
29 committee or candidate prior to that election. In the case of a
30 continuing political committee, "surplus funds" mean those
31 contributions remaining in the possession or control of the committee
32 that are in excess of the amount necessary to pay all remaining debts
33 when it makes its final report under RCW 42.17.065.

34 ~~((42))~~ (47) "Writing" means handwriting, typewriting, printing,
35 photostating, photographing, and every other means of recording any
36 form of communication or representation, including, but not limited to,
37 letters, words, pictures, sounds, or symbols, or combination thereof,
38 and all papers, maps, magnetic or paper tapes, photographic films and

1 prints, motion picture, film and video recordings, magnetic or punched
2 cards, discs, drums, diskettes, sound recordings, and other documents
3 including existing data compilations from which information may be
4 obtained or translated.

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

7 **Sec. 7.** RCW 42.17.103 and 2001 c 54 s 1 are each amended to read
8 as follows:

9 (1) The sponsor of political advertising who, within twenty-one
10 days of an election, publishes, mails, or otherwise presents to the
11 public political advertising supporting or opposing a candidate or
12 ballot proposition that qualifies as an independent expenditure with a
13 fair market value of one thousand dollars or more shall deliver, either
14 electronically or in written form, a special report to the commission
15 within twenty-four hours of, or on the first working day after, the
16 date the political advertising is first published, mailed, or otherwise
17 presented to the public.

18 (2) If a sponsor is required to file a special report under this
19 section, the sponsor shall also deliver to the commission within the
20 delivery period established in subsection (1) of this section a special
21 report for each subsequent independent expenditure of any size
22 supporting or opposing the same candidate who was the subject of the
23 previous independent expenditure, supporting or opposing that
24 candidate's opponent, or supporting or opposing the same ballot
25 proposition that was the subject of the previous independent
26 expenditure.

27 (3) The special report must include at least:

28 (a) The name and address of the person making the expenditure;

29 (b) The name and address of the person to whom the expenditure was
30 made;

31 (c) A detailed description of the expenditure;

32 (d) The date the expenditure was made and the date the political
33 advertising was first published or otherwise presented to the public;

34 (e) The amount of the expenditure;

35 (f) The name of the candidate supported or opposed by the
36 expenditure, the office being sought by the candidate, and whether the

1 expenditure supports or opposes the candidate; or the name of the
2 ballot proposition supported or opposed by the expenditure and whether
3 the expenditure supports or opposes the ballot proposition; and

4 (g) Any other information the commission may require by rule.

5 (4) All persons required to report under RCW 42.17.065, 42.17.080,
6 42.17.090, (~~and~~) 42.17.100, and section 3 of this act are subject to
7 the requirements of this section. The commission may determine that
8 reports filed pursuant to this section also satisfy the requirements of
9 RCW 42.17.100.

10 (5) The sponsor of independent expenditures supporting a candidate
11 or opposing that candidate's opponent required to report under this
12 section shall file with each required report an affidavit or
13 declaration of the person responsible for making the independent
14 expenditure that the expenditure was not made in cooperation,
15 consultation, or concert with, or at the request or suggestion of, the
16 candidate, the candidate's authorized committee, or the candidate's
17 agent, or with the encouragement or approval of the candidate, the
18 candidate's authorized committee, or the candidate's agent.

19 **Sec. 8.** RCW 42.17.110 and 1975-'76 2nd ex.s. c 112 s 5 are each
20 amended to read as follows:

21 (1) Each commercial advertiser who has accepted or provided
22 political advertising or electioneering communications during the
23 election campaign shall maintain open for public inspection during the
24 campaign and for a period of no less than three years after the date of
25 the applicable election, during normal business hours, documents and
26 books of account which shall specify:

27 (a) The names and addresses of persons from whom it accepted
28 political advertising or electioneering communications;

29 (b) The exact nature and extent of the (~~advertising~~) services
30 rendered; and

31 (c) The consideration and the manner of paying that consideration
32 for such services.

33 (2) Each commercial advertiser which must comply with subsection
34 (1) of this section shall deliver to the commission, upon its request,
35 copies of such information as must be maintained open for public
36 inspection pursuant to subsection (1) of this section.

1 **Sec. 9.** RCW 42.17.510 and 1995 c 397 s 19 are each amended to read
2 as follows:

3 (1) All written political advertising, whether relating to
4 candidates or ballot propositions, shall include the sponsor's name and
5 address. All radio and television political advertising, whether
6 relating to candidates or ballot propositions, shall include the
7 sponsor's name. The use of an assumed name for the sponsor of
8 electioneering communications, independent expenditures, or political
9 advertising shall be unlawful. ((The party with which a candidate
10 files)) For partisan office, if a candidate has expressed a party or
11 independent preference on the declaration of candidacy, that party or
12 independent designation shall be clearly identified in electioneering
13 communications, independent expenditures, or political advertising
14 ((for partisan office)).

15 (2) In addition to the materials required by subsection (1) of this
16 section, except as specifically addressed in subsections (4) and (5) of
17 this section, all political advertising undertaken as an independent
18 expenditure by a person or entity other than a party organization, and
19 all electioneering communications, must include the following statement
20 ((~~on~~)) as part of the communication "NOTICE TO VOTERS (Required by
21 law): This advertisement is not authorized or approved by any
22 candidate. It is paid for by (name, address, city, state)." If the
23 advertisement undertaken as an independent expenditure or
24 electioneering communication is undertaken by a nonindividual other
25 than a party organization, then the following notation must also be
26 included: "Top Five Contributors," followed by a listing of the names
27 of the five persons or entities making the largest contributions in
28 excess of seven hundred dollars reportable under this chapter during
29 the twelve-month period before the date of the advertisement or
30 communication.

31 (3) The statements and listings of contributors required by
32 subsections (1) and (2) of this section shall:

33 (a) Appear on the first page or fold of the written advertisement
34 or communication in at least ten-point type, or in type at least ten
35 percent of the largest size type used in a written advertisement or
36 communication directed at more than one voter, such as a billboard or
37 poster, whichever is larger;

38 (b) Not be subject to the half-tone or screening process; and

1 (c) Be set apart from any other printed matter(~~(i) and~~
2 ~~(d) Be clearly spoken on any broadcast advertisement~~)).

3 (4) In an independent expenditure or electioneering communication
4 transmitted via television or other medium that includes a visual
5 image, the following statement must either be clearly spoken, or appear
6 in print and be visible for at least four seconds, appear in letters
7 greater than four percent of the visual screen height, and have a
8 reasonable color contrast with the background: "No candidate
9 authorized this ad. Paid for by (name, city, state)." If the
10 advertisement or communication is undertaken by a nonindividual other
11 than a party organization, then the following notation must also be
12 included: "Top Five Contributors" followed by a listing of the names
13 of the five persons or entities making the largest contributions in
14 excess of seven hundred dollars reportable under this chapter during
15 the twelve-month period before the date of the advertisement.
16 Abbreviations may be used to describe contributing entities if the full
17 name of the entity has been clearly spoken previously during the
18 broadcast advertisement.

19 (5) The following statement shall be clearly spoken in an
20 independent expenditure or electioneering communication transmitted by
21 a method that does not include a visual image: "No candidate
22 authorized this ad. Paid for by (name, city, state)." If the
23 independent expenditure or electioneering communication is undertaken
24 by a nonindividual other than a party organization, then the following
25 statement must also be included: "Top Five Contributors" followed by
26 a listing of the names of the five persons or entities making the
27 largest contributions in excess of seven hundred dollars reportable
28 under this chapter during the twelve-month period before the date of
29 the advertisement. Abbreviations may be used to describe contributing
30 entities if the full name of the entity has been clearly spoken
31 previously during the broadcast advertisement.

32 (6) Political yard signs are exempt from the requirement of
33 subsections (1) and (2) of this section that the name and address of
34 the sponsor of political advertising be listed on the advertising. In
35 addition, the public disclosure commission shall, by rule, exempt from
36 the identification requirements of subsections (1) and (2) of this
37 section forms of political advertising such as campaign buttons,

1 balloons, pens, pencils, sky-writing, inscriptions, and other forms of
2 advertising where identification is impractical.

3 ~~((+5+))~~ (7) For the purposes of this section, "yard sign" means any
4 outdoor sign with dimensions no greater than eight feet by four feet.

5 **Sec. 10.** RCW 42.17.530 and 1999 c 304 s 2 are each amended to read
6 as follows:

7 (1) It is a violation of this chapter for a person to sponsor with
8 actual malice:

9 (a) Political advertising or an electioneering communication that
10 contains a false statement of material fact about a candidate for
11 public office. However, this subsection (1)(a) does not apply to
12 statements made by a candidate or the candidate's agent about the
13 candidate himself or herself;

14 (b) Political advertising or an electioneering communication that
15 falsely represents that a candidate is the incumbent for the office
16 sought when in fact the candidate is not the incumbent;

17 (c) Political advertising or an electioneering communication that
18 makes either directly or indirectly, a false claim stating or implying
19 the support or endorsement of any person or organization when in fact
20 the candidate does not have such support or endorsement.

21 (2) Any violation of this section shall be proven by clear and
22 convincing evidence.

23 **Sec. 11.** RCW 42.17.640 and 2001 c 208 s 1 are each reenacted and
24 amended to read as follows:

25 (1) No person, other than a bona fide political party or a caucus
26 political committee, may make contributions to a candidate for a state
27 legislative office that in the aggregate exceed ~~((five))~~ seven hundred
28 dollars or to a candidate for a state office other than a state
29 legislative office that in the aggregate exceed one thousand four
30 hundred dollars for each election in which the candidate is on the
31 ballot or appears as a write-in candidate. Contributions made with
32 respect to a primary may not be made after the date of the primary.
33 However, contributions to a candidate or a candidate's authorized
34 committee may be made with respect to a primary until thirty days after
35 the primary, subject to the following limitations: (a) The candidate
36 lost the primary; (b) the candidate's authorized committee has

1 insufficient funds to pay debts outstanding as of the date of the
2 primary; and (c) the contributions may only be raised and spent to
3 satisfy the outstanding debt. Contributions made with respect to a
4 general election may not be made after the final day of the applicable
5 election cycle.

6 (2) No person, other than a bona fide political party or a caucus
7 political committee, may make contributions to a state official against
8 whom recall charges have been filed, or to a political committee having
9 the expectation of making expenditures in support of the recall of the
10 state official, during a recall campaign that in the aggregate exceed
11 (~~(five)~~) seven hundred dollars if for a state legislative office or one
12 thousand four hundred dollars if for a state office other than a state
13 legislative office.

14 (3)(a) Notwithstanding subsection (1) of this section, no bona fide
15 political party or caucus political committee may make contributions to
16 a candidate during an election cycle that in the aggregate exceed (i)
17 (~~(fifty)~~) seventy cents multiplied by the number of eligible registered
18 voters in the jurisdiction from which the candidate is elected if the
19 contributor is a caucus political committee or the governing body of a
20 state organization, or (ii) (~~(twenty-five)~~) thirty-five cents
21 multiplied by the number of registered voters in the jurisdiction from
22 which the candidate is elected if the contributor is a county central
23 committee or a legislative district committee.

24 (b) No candidate may accept contributions from a county central
25 committee or a legislative district committee during an election cycle
26 that when combined with contributions from other county central
27 committees or legislative district committees would in the aggregate
28 exceed (~~(twenty-five)~~) thirty-five cents times the number of registered
29 voters in the jurisdiction from which the candidate is elected.

30 (4)(a) Notwithstanding subsection (2) of this section, no bona fide
31 political party or caucus political committee may make contributions to
32 a state official against whom recall charges have been filed, or to a
33 political committee having the expectation of making expenditures in
34 support of the state official, during a recall campaign that in the
35 aggregate exceed (i) (~~(fifty)~~) seventy cents multiplied by the number
36 of eligible registered voters in the jurisdiction entitled to recall
37 the state official if the contributor is a caucus political committee
38 or the governing body of a state organization, or (ii) (~~(twenty-five)~~)

1 thirty-five cents multiplied by the number of registered voters in the
2 jurisdiction from which the candidate is elected if the contributor is
3 a county central committee or a legislative district committee.

4 (b) No state official against whom recall charges have been filed,
5 no authorized committee of the official, and no political committee
6 having the expectation of making expenditures in support of the recall
7 of a state official may accept contributions from a county central
8 committee or a legislative district committee during an election cycle
9 that when combined with contributions from other county central
10 committees or legislative district committees would in the aggregate
11 exceed (~~twenty-five~~) thirty-five cents multiplied by the number of
12 registered voters in the jurisdiction from which the candidate is
13 elected.

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

18 (6) Notwithstanding subsections (1) through (4) of this section, no
19 person other than an individual, bona fide political party, or caucus
20 political committee may make contributions reportable under this
21 chapter to a caucus political committee that in the aggregate exceed
22 (~~five~~) seven hundred dollars in a calendar year or to a bona fide
23 political party that in the aggregate exceed (~~two~~) three thousand
24 five hundred dollars in a calendar year. This subsection does not
25 apply to loans made in the ordinary course of business.

26 (7) For the purposes of RCW 42.17.640 through 42.17.790, a
27 contribution to the authorized political committee of a candidate, or
28 of a state official against whom recall charges have been filed, is
29 considered to be a contribution to the candidate or state official.

30 (8) A contribution received within the twelve-month period after a
31 recall election concerning a state office is considered to be a
32 contribution during that recall campaign if the contribution is used to
33 pay a debt or obligation incurred to influence the outcome of that
34 recall campaign.

35 (9) The contributions allowed by subsection (2) of this section are
36 in addition to those allowed by subsection (1) of this section, and the
37 contributions allowed by subsection (4) of this section are in addition
38 to those allowed by subsection (3) of this section.

1 (10) RCW 42.17.640 through 42.17.790 apply to a special election
2 conducted to fill a vacancy in a state office. However, the
3 contributions made to a candidate or received by a candidate for a
4 primary or special election conducted to fill such a vacancy shall not
5 be counted toward any of the limitations that apply to the candidate or
6 to contributions made to the candidate for any other primary or
7 election.

8 (11) Notwithstanding the other subsections of this section, no
9 corporation or business entity not doing business in Washington state,
10 no labor union with fewer than ten members who reside in Washington
11 state, and no political committee that has not received contributions
12 of ten dollars or more from at least ten persons registered to vote in
13 Washington state during the preceding one hundred eighty days may make
14 contributions reportable under this chapter to a candidate, to a state
15 official against whom recall charges have been filed, or to a political
16 committee having the expectation of making expenditures in support of
17 the recall of the official. This subsection does not apply to loans
18 made in the ordinary course of business.

19 (12) Notwithstanding the other subsections of this section, no
20 county central committee or legislative district committee may make
21 contributions reportable under this chapter to a candidate, state
22 official against whom recall charges have been filed, or political
23 committee having the expectation of making expenditures in support of
24 the recall of a state official if the county central committee or
25 legislative district committee is outside of the jurisdiction entitled
26 to elect the candidate or recall the state official.

27 (13) No person may accept contributions that exceed the
28 contribution limitations provided in this section. However,
29 notwithstanding the other subsections of this section, in recognition
30 of the fact that an opposition candidate's campaign-related
31 expenditures from personal funds in excess of a threshold to be
32 determined by the commission, can be an insurmountable disadvantage to
33 a candidate who is not self-financed, individual contributions and
34 coordinated party expenditures made on behalf of the nonself-funded
35 candidate, may be exceeded by a factor or factors, to be determined by
36 the commission, so as to equalize the overall fund-raising capabilities
37 of the candidates. A system shall be created by the commission that
38 will monitor whether an opposing candidate has spent sufficient

1 personal funds in comparison to the amounts raised by the nonself-
2 financed candidate's campaign so as to justify the continuation of the
3 allowance of excess contributions.

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

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

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

14 **Sec. 12.** RCW 42.17.680 and 2002 c 156 s 1 are each amended to read
15 as follows:

16 (1) No employer or labor organization may increase the salary of an
17 officer or employee, or give an emolument to an officer, employee, or
18 other person or entity, with the intention that the increase in salary,
19 or the emolument, or a part of it, be contributed or spent to support
20 or oppose a candidate, state official against whom recall charges have
21 been filed, political party, or political committee.

22 (2) No employer or labor organization may discriminate against an
23 officer or employee in the terms or conditions of employment for (a)
24 the failure to contribute to, (b) the failure in any way to support or
25 oppose, or (c) in any way supporting or opposing a candidate, ballot
26 proposition, political party, or political committee. At least
27 annually, an employee from whom wages or salary are withheld under
28 subsection (3) of this section shall be notified of the provisions of
29 this subsection.

30 (3) No employer or other person or entity responsible for the
31 disbursement of funds in payment of wages or salaries may withhold or
32 divert a portion of an employee's wages or salaries for contributions
33 to political committees or for use as political contributions except
34 upon the written request of the employee. The request must be made on
35 a form prescribed by the commission informing the employee of the
36 prohibition against employer and labor organization discrimination

1 described in subsection (2) of this section. The employee may revoke
2 the request at any time. At least annually, the employee shall be
3 notified about the right to revoke the request.

4 ~~((4) Each person or entity who withholds contributions under
5 subsection (3) of this section shall maintain open for public
6 inspection for a period of no less than three years, during normal
7 business hours, documents and books of accounts that shall include a
8 copy of each employee's request, the amounts and dates funds were
9 actually withheld, and the amounts and dates funds were transferred to
10 a political committee. Copies of such information shall be delivered
11 to the commission upon request.))~~

12 **PART IV - TECHNICAL PROVISIONS**

13 NEW SECTION. **Sec. 13.** RCW 42.17.505 (Definitions) and 1988 c 199
14 s 1 are each repealed.

15 NEW SECTION. **Sec. 14.** Part headings used in this act are not any
16 part of the law.

17 NEW SECTION. **Sec. 15.** (1) Sections 1 through 5 of this act are
18 each added to chapter 42.17 RCW to be codified with the subchapter
19 heading of "Reporting of Electioneering Communications."

20 (2) The code reviser must change the subchapter heading "Political
21 Advertising" to "Political Advertising and Electioneering
22 Communications" in chapter 42.17 RCW.

23 NEW SECTION. **Sec. 16.** If any provision of this act or its
24 application to any person or circumstance is held invalid, the
25 remainder of the act or the application of the provision to other
26 persons or circumstances is not affected.

27 NEW SECTION. **Sec. 17.** This act takes effect January 1, 2006."

PULLED 03/16/2005

1 On page 1, line 2 of the title, after "funding;" strike the
2 remainder of the title and insert "amending RCW 42.17.020, 42.17.103,
3 42.17.110, 42.17.510, 42.17.530, and 42.17.680; reenacting and amending
4 RCW 42.17.640; adding new sections to chapter 42.17 RCW; creating a new
5 section; repealing RCW 42.17.505; and providing an effective date."

--- END ---