

HOUSE BILL REPORT

SSB 6323

As Reported by House Committee On:
State Government Operations & Accountability

Title: An act relating to campaign finance disclosure.

Brief Description: Concerning campaign finance disclosure.

Sponsors: Senate Committee on Government Operations & Elections (originally sponsored by Senators Regala, Swecker, Kastama and Rasmussen).

Brief History:

Committee Activity:

State Government Operations & Accountability: 2/17/06 [DPA].

**Brief Summary of Substitute Bill
(As Amended by House Committee)**

- Requires that a candidate in a political subdivision exempt from disclosure laws must comply with the reporting provisions of the public disclosure act if that candidate receives or expects to receive \$5,000 or more in contributions.

HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY

Majority Report: Do pass as amended. Signed by 8 members: Representatives Haigh, Chair; Green, Vice Chair; Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Hunt, McDermott, Miloscia and Sump.

Staff: Marsha Reilly (786-7135).

Background:

In 1972, the Public Disclosure Act (PDA) was enacted following passage of Initiative 276. Among the stated purposes of the legislation were that political campaign and lobbying contributions and expenditures be fully disclosed to the public and that the private financial dealings of public officials, and candidates for those offices, present no conflict of interest between the public trust and private interest. The Public Disclosure Commission (Commission) is responsible for enforcement of the PDA.

Two reporting provisions are included in the PDA to address those concerns. One provision requires that all political campaign and lobbying contributions and expenditures be fully disclosed. The law applies to all election campaigns with the following exceptions:

- precinct committee office;
- federal elective office; and
- office in a political subdivision of the state that does not encompass a whole county and that contains fewer than 5,000 registered voters as of the date of the most recent election.

The other reporting provision requires that all public officials and candidates for public office submit a statement of personal financial affairs. Exceptions for filing this report include:

- precinct committee office;
- federal elective office; and
- candidates, elected officials and agencies in political subdivisions with less than 1,000 registered voters.

Any exempted political subdivision may petition for disclosure of contributions and expenditures and/or personal financial statements. In order to be validated, the petition must include signatures of at least 15 percent of the registered voters as of the date of the most recent general election in the political subdivision and submit the petition to the Commission. Signatures are verified by the county auditor or elections officer of the county in which the political subdivision is located. Once the correct number of required signatures is verified, the Commission is required to notify every known affected person to file the required statements and reports within 14 days of the date of the order.

Petitions for reporting political campaign contributions and expenditures must be filed at least 60 days before the election at which a ballot measure is considered. Petitions for reporting campaign contributions and expenditures for candidates running in an election must be filed 60 days before the first day of the filing period.

Summary of Amended Bill:

Candidates previously exempted from the reporting provisions of the PDA due to the number of registered voters in a political subdivision must report campaign contributions and expenditures to, and file a personal financial affairs statement with, the Commission if the candidate receives or expects to receive \$5,000 or more in contributions.

Amended Bill Compared to Substitute Bill:

The original bill requires a candidate for an election for city or town mayor or council to file campaign contribution and expenditure reports with the Commission if the candidate receives or expects to receive \$3,500 or more in campaign contributions. The 60-day period in which a political subdivision may petition for disclosure to the Commission for both ballot measures and candidate reporting are removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: (Neutral) The Association of Washington Cities are neutral on the bill. However, there are concerns because smaller towns and cities have a difficult time getting people to run for office. It would help to make the reporting requirements as simple as possible. The \$5,000 threshold is plenty for an election in a small town and that amount would be a better reporting requirement for candidates.

Testimony Against: None.

Persons Testifying: (Neutral) Victoria Lincoln, Association of Washington Cities.

Persons Signed In To Testify But Not Testifying: None.