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**SUBSTITUTE HOUSE BILL 1104**

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**State of Washington**

**59th Legislature**

**2005 Regular Session**

**By** House Committee on State Government Operations & Accountability  
(originally sponsored by Representatives Green, Haigh, Nixon, Talcott  
and Shabro)

READ FIRST TIME 02/15/05.

1       AN ACT Relating to the disposal of surplus funds of candidates or  
2 political committees; amending RCW 42.17.095; and declaring an  
3 emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5       **Sec. 1.** RCW 42.17.095 and 1995 c 397 s 31 are each amended to read  
6 as follows:

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

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

12       (2) Transfer the surplus to the candidate's personal account as  
13 reimbursement for lost earnings incurred as a result of that  
14 candidate's election campaign. Such lost earnings shall be verifiable  
15 as unpaid salary or, when the candidate is not salaried, as an amount  
16 not to exceed income received by the candidate for services rendered  
17 during an appropriate, corresponding time period. All lost earnings  
18 incurred shall be documented and a record thereof shall be maintained

1 by the candidate or the candidate's political committee. The committee  
2 shall include a copy of such record when its expenditure for such  
3 reimbursement is reported pursuant to RCW 42.17.090;

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

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

8 (5) Transmit the surplus to the state treasurer for deposit in the  
9 general fund, the oral history, state library, and archives account  
10 under RCW 43.07.380, or the legislative international trade account  
11 under RCW 44.04.270, as specified by the candidate or political  
12 committee; or

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

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

27 (8) No candidate or authorized committee may transfer funds to any  
28 other candidate or other political committee.

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

31 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of the  
33 state government and its existing public institutions, and takes effect  
34 immediately.

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