
SENATE BILL 6765

State of Washington

59th Legislature

2006 Regular Session

By Senator Kastama

Read first time 01/20/2006. Referred to Committee on Government Operations & Elections.

1 AN ACT Relating to establishing the Washington clean elections act;
2 amending RCW 42.17.095 and 42.17.128; adding a new chapter to Title 42
3 RCW; and prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that our current
6 election financing system:

- 7 (1) Gives incumbents an unhealthy advantage over challengers;
8 (2) Hinders communication to voters by many qualified candidates;
9 (3) Undermines public confidence in the integrity of public
10 officials;
11 (4) Drives up the cost of running for state office, discouraging
12 otherwise qualified candidates who lack personal wealth or access to
13 special interest funding; and
14 (5) Requires that elected officials spend too much of their time
15 raising funds rather than representing the public.

16 NEW SECTION. **Sec. 2.** This chapter, to be known as the Washington
17 clean elections act, establishes an alternative campaign financing
18 option available to candidates running for office. The alternative

1 campaign financing program is funded entirely through voluntary
2 donations made by individuals. The commission shall administer this
3 chapter and the Washington clean elections account. Participating
4 candidates must also comply with all other applicable election and
5 campaign laws and rules.

6 NEW SECTION. **Sec. 3.** The definitions in this section apply
7 throughout this chapter unless the context clearly requires otherwise.

8 (1) "Account" means the Washington clean elections account
9 established under section 6 of this act.

10 (2) "Commission" means the public disclosure commission.

11 (3) "Exploratory period" means the period beginning on the day
12 after a general election and ending the day before the start of the
13 qualifying period.

14 (4) "General election period" means the period beginning upon
15 certification of the primary election and ending on the day of the
16 general election.

17 (5) "General election spending limit" means amounts fifty percent
18 greater than the primary election spending limit for that office.

19 (6) "Nonparticipating candidate" means a candidate who does not
20 become certified as a participating candidate under this chapter.

21 (7) "Participating candidate" means a candidate for governor,
22 lieutenant governor, secretary of state, attorney general, state
23 auditor, state treasurer, commissioner of public lands, insurance
24 commissioner, superintendent of public instruction, state senator, or
25 state representative who becomes certified as a participating candidate
26 under this chapter.

27 (8) "Primary election period" means the period starting ten days
28 after the close of candidate filing and ending on the day of
29 certification of the primary election.

30 (9) "Primary election spending limit" means for a candidate for
31 legislature, ten thousand dollars; for a candidate for secretary of
32 state, lieutenant governor, or attorney general, eighty thousand
33 dollars; for a candidate for governor, three hundred eighty thousand
34 dollars; and for all other candidates, forty thousand dollars.

35 (10) "Qualifying contribution" means a contribution that is:

36 (a) Made during the qualifying period by an elector who at the time

1 of the contribution is registered in the electoral district of the
2 office the candidate is seeking and who has not given another
3 qualifying contribution to that candidate during the election cycle;

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

6 (c) In the sum of five dollars, exactly;

7 (d) If made by check or money order, made payable to the
8 candidate's campaign committee or, if in cash, deposited in the
9 candidate's campaign account; and

10 (e) Reported to the commission in compliance with section 4 of this
11 act.

12 (11) "Qualifying period" means the period beginning on the first
13 day of August in a year preceding an election and at the close of
14 candidate filing under chapter 29A.24 RCW.

15 NEW SECTION. **Sec. 4.** (1) A candidate who wishes to be certified
16 as a participating candidate shall submit to the commission by the
17 close of candidate filing under chapter 29A.24 RCW for that election
18 year:

19 (a) An application that identifies the candidate, the office that
20 the candidate plans to seek, and the candidate's political party, if
21 any;

22 (b) A report that provides the name and other information required
23 by the commission of all persons who have made qualifying contributions
24 under this chapter on behalf of the candidate and an amount equal to
25 the qualifying contributions collected by the candidate to be deposited
26 in the account;

27 (c) A statement signed by the candidate under oath, certifying that
28 the candidate:

29 (i) Has complied with the restrictions of this chapter during the
30 election cycle to date;

31 (ii) Agrees to comply with the requirements of this chapter during
32 the remainder of the election cycle and will not accept private
33 campaign contributions other than qualifying contributions as provided
34 in this chapter;

35 (iii) Agrees that all money received from the account will be used
36 exclusively for financing his or her primary or general election
37 campaign; and

1 (iv) Will comply with expenditure reporting requirements in RCW
2 42.17.070 and 42.17.080; and

3 (d) A copy of the candidate's declaration of candidacy.

4 (2) The commission shall act on the application within one week.
5 Unless, within that time, the commission denies an application and
6 provides written reasons that all or part of a certification in
7 subsection (1) of this section is incomplete or untrue, the candidate
8 shall be certified as a participating candidate. If the commission
9 denies an application for failure to file all complete and accurate
10 campaign finance reports or failure to make the certification in
11 subsection (1) of this section, the candidate may reapply within two
12 weeks of the commission's decision by filing complete and accurate
13 campaign finance reports and another sworn certification.

14 NEW SECTION. **Sec. 5.** (1) Participating candidates may not:

15 (a) Accept any campaign contributions other than qualifying
16 contributions and early contributions as specified in this chapter;

17 (b) Make campaign expenditures of more than a total of five hundred
18 dollars of the candidate's personal money for a candidate for
19 legislature or more than one thousand dollars for a candidate for
20 statewide office;

21 (c) Make campaign expenditures in the primary election period in
22 excess of the primary election spending limit; or

23 (d) Make campaign expenditures in the general election period in
24 excess of the general election spending limit.

25 (2) Participating candidates must comply with section 12 of this
26 act regarding campaign accounts and section 16 of this act regarding
27 returning unused money to the account.

28 NEW SECTION. **Sec. 6.** (1) The Washington clean elections account
29 is created in the custody of the state treasurer. All receipts from
30 voluntary contributions from sources listed in subsection (2) of this
31 section must be deposited into the account. Expenditures from the
32 account may be used only for distributions as authorized by this
33 chapter. Only the commission or the commission's designee may
34 authorize expenditures from the account. The account is subject to
35 allotment procedures under chapter 43.88 RCW, but an appropriation is
36 not required for expenditures.

1 (2) Voluntary contributions to the account may be made in the
2 following manner and must be deposited in the account:

3 (a) Qualifying contributions collected by candidates and submitted
4 to the commission under section 4 of this act;

5 (b) Contributions made to the account or the commission for the
6 account;

7 (c) Contributions made through a voluntary check off on driver's
8 license application and renewal forms;

9 (d) Contributions made through a voluntary check off on vehicle
10 registration and renewal forms;

11 (e) Contributions made through a voluntary check off on state
12 college and university registration forms;

13 (f) Contributions made through a voluntary check off on department
14 of fish and wildlife license and renewal forms;

15 (g) Contributions made through a voluntary check off on department
16 of natural resources license and renewal forms;

17 (h) Contributions made through a voluntary check off on
18 professional license and renewal forms; and

19 (i) Transfer of surplus funds under RCW 42.17.095.

20 NEW SECTION. **Sec. 7.** (1) By January 1st of each election year,
21 the commission shall publish an estimate of revenue in the account
22 available for distribution to participating candidates during the
23 upcoming elections.

24 (2) The commission may use up to ten percent of the amount in the
25 account for reasonable and necessary expenses of administration and
26 enforcement. Any portion of the ten percent not used for this purpose
27 must remain in the account.

28 (3) The commission may use up to ten percent of the amount in the
29 account for reasonable and necessary expenses associated with voter
30 education. Any portion of the ten percent not used for this purpose
31 must remain in the account.

32 NEW SECTION. **Sec. 8.** (1) The civil penalty for a violation of any
33 contribution or expenditure limit in section 5 of this act by or on
34 behalf of a participating candidate shall be ten times the amount by
35 which the expenditures or contributions exceed the applicable limit.

1 (2) In addition to any other penalties imposed by law, the civil
2 penalty for a violation by or on behalf of any candidate of any
3 reporting requirement imposed by this chapter or chapter 42.17 RCW
4 shall be one hundred dollars per day for candidates for the legislature
5 and three hundred dollars per day for candidates for statewide office.
6 The penalty imposed by this subsection shall be doubled if the amount
7 not reported for a particular election cycle exceeds ten percent of the
8 adjusted primary or general election spending limit. No penalty
9 imposed under this subsection shall exceed twice the amount of
10 expenditures or contributions not reported. The candidate and the
11 candidate's campaign account shall be jointly and severally responsible
12 for any penalty imposed under this subsection.

13 (3) Any campaign finance report filed indicating a violation of
14 section 5 of this act involving an amount in excess of ten percent of
15 the sum of the adjusted primary election spending limit and the
16 adjusted general election spending limit for a particular candidate
17 shall result in disqualification of a candidate or forfeiture of
18 office.

19 (4) Any participating candidate adjudged to have committed a
20 knowing violation of section 5 of this act shall repay from the
21 candidate's personal money to the Washington clean elections account
22 all money expended from the candidate's campaign account and shall turn
23 over the candidate's campaign account to the Washington clean elections
24 account.

25 (5) All civil penalties collected pursuant to this section shall be
26 deposited into the account.

27 NEW SECTION. **Sec. 9.** (1) A participating candidate may accept
28 early contributions only from individuals and only during the
29 exploratory period and the qualifying period, subject to the following
30 limitations:

31 (a) No contributor shall give, and no participating candidate shall
32 accept, contributions from a contributor exceeding one hundred dollars
33 during an election cycle;

34 (b) Early contributions to a participating candidate from all
35 sources for an election cycle shall not exceed, for a candidate for
36 governor, forty thousand dollars or, for other candidates, ten percent

1 of the sum of the original primary election spending limit and the
2 original general election spending limit;

3 (c) Qualifying contributions shall not be included in determining
4 whether the limits in this subsection have been exceeded.

5 (2) Early contributions specified in subsection (1) of this section
6 and the candidate's personal money specified in section 5 of this act
7 may be spent only during the exploratory period and the qualifying
8 period. Any early contributions not spent by the end of the qualifying
9 period shall be paid to the account.

10 (3) If a participating candidate has a debt from an election
11 campaign in this state during a previous election cycle in which the
12 candidate was not a participating candidate, then, during the
13 exploratory period only, the candidate may accept, in addition to early
14 contributions specified in subsection (1) of this section,
15 contributions subject to campaign contribution limitations for
16 nonparticipating candidates, or may exceed the limit on personal money
17 in section 5 of this act, if such contributions and money are used
18 solely to retire such debt.

19 NEW SECTION. **Sec. 10.** (1) A candidate, or any other person acting
20 on behalf of a candidate, who knowingly violates section 5 of this act
21 is guilty of a gross misdemeanor.

22 (2) Any person who knowingly pays any thing of value or any
23 compensation for a qualifying contribution is guilty of a gross
24 misdemeanor.

25 (3) Any person who knowingly provides false or incomplete
26 information on a report filed under section 18 of this act is guilty of
27 a gross misdemeanor.

28 NEW SECTION. **Sec. 11.** (1) During the qualifying period, a
29 participating candidate may collect qualifying contributions, which
30 shall be paid to the account.

31 (2) Qualifying contributions must be accompanied by a three-part
32 reporting slip that includes the printed name, registration address,
33 and signature of the contributor, the name of the candidate for whom
34 the contribution is made, the date, and the printed name and signature
35 of the solicitor.

1 (3) A copy of the reporting slip shall be given as a receipt to the
2 contributor, and another copy shall be retained by the candidate's
3 campaign committee. Delivery of an original reporting slip to the
4 commission excuses the candidate from disclosure of these contributions
5 on campaign finance reports filed under this chapter and chapter 42.17
6 RCW.

7 NEW SECTION. **Sec. 12.** (1) A participating candidate shall conduct
8 all financial activity through a single campaign account of the
9 candidate's campaign committee. A participating candidate shall not
10 make any deposits into the campaign account other than qualifying and
11 early contributions.

12 (2) A candidate may designate other persons with authority to
13 withdraw funds from the candidate's campaign account. The candidate
14 and any person so designated shall sign a joint statement under oath
15 promising to comply with the requirements of this chapter.

16 (3) The candidate or a person authorized under subsection (2) of
17 this section shall pay money from a participating candidate's campaign
18 account directly to the person providing goods or services to the
19 campaign and shall identify, on a report filed under this chapter or
20 chapter 42.17 RCW, the full name and street address of the person and
21 the nature of the goods and services and compensation for which payment
22 has been made. However, a campaign committee may establish one or more
23 petty cash accounts, which in aggregate shall not exceed one thousand
24 dollars at any time. No single expenditure shall be made from a petty
25 cash account exceeding one hundred dollars.

26 (4) Money in a participating candidate's campaign account shall not
27 be used to pay fines or civil penalties, for costs or legal fees
28 related to representation before the commission, or for defense of any
29 enforcement action under this chapter. Nothing in this subsection
30 prevents a participating candidate from having a legal defense fund.

31 NEW SECTION. **Sec. 13.** (1) A candidate who has made an application
32 for certification may also apply, in accordance with subsection (2) of
33 this section, to receive funds from the account instead of receiving
34 private contributions.

35 (2) To receive clean campaign funding, the candidate must present
36 to the commission within one week after the end of the qualifying

1 period a list of names of persons who have made qualifying
2 contributions on behalf of the candidate. The list shall be divided by
3 county. At the same time, the candidate must tender to the commission
4 the original reporting slips identified in section 11(3) of this act
5 for persons on the list and an amount equal to the sum of the
6 qualifying contributions collected. The commission shall deposit the
7 amount into the fund.

8 (3) The commission shall select at random a sample of five percent
9 of the number of nonduplicative names on the list and forward
10 facsimiles of the selected reporting slips to the secretary of state.
11 Within ten days, the secretary of state shall provide a report to the
12 commission identifying as disqualified any slips that are unsigned or
13 undated or that the recorder is unable to verify as matching a person
14 who is registered to vote, on the date specified on the slip, inside
15 the electoral district of the office the candidate is seeking. The
16 commission shall multiply the number of slips not disqualified by
17 twenty and, if the result is greater than one hundred ten percent of
18 the quantity required, shall approve the candidate for funds. If the
19 result is less than ninety percent of the quantity required, the
20 commission shall deny the application for funds. Otherwise, the
21 commission shall forward facsimiles of all of the slips to the
22 secretary of state for verification to be checked in accordance with
23 this section.

24 (4) To qualify for clean campaign funding, a candidate must have
25 been approved as a participating candidate and have obtained the
26 following number of qualifying contributions:

27 (a) For a candidate for legislature, two hundred;

28 (b) For a candidate for treasurer, superintendent of public
29 instruction, state auditor, insurance commissioner, or commissioner of
30 public lands, one thousand five hundred;

31 (c) For a candidate for secretary of state, lieutenant governor, or
32 attorney general, two thousand five hundred; and

33 (d) For a candidate for governor, four thousand.

34 NEW SECTION. **Sec. 14.** (1) At the beginning of the primary
35 election period, the commission shall pay from the account to the
36 campaign account of each participating candidate who qualifies for
37 clean campaign funding:

1 (a) For a major party candidate who appears on a party primary
2 ballot, an amount equal to the original primary election spending
3 limit;

4 (b) For an independent candidate or minor party candidate who
5 qualifies to appear on the general election ballot, an amount equal to
6 seventy percent of the original primary election spending limit; and

7 (c) For a qualified participating candidate who is unopposed for an
8 office in that candidate's primary, in the primary of any other party,
9 by any minor party candidate, and by any opposing independent
10 candidate, an amount equal to five dollars times the number of
11 qualifying contributions for that candidate certified by the
12 commission.

13 (2) At the beginning of the general election period, the commission
14 shall pay from the account to the campaign account of each candidate
15 who qualifies for clean campaign funding:

16 (a) For a candidate who has been certified to appear on the general
17 election ballot, an amount equal to the original general election
18 spending limit; and

19 (b) For a candidate who is unopposed by any other candidate, an
20 amount equal to five dollars times the number of qualifying
21 contributions for that candidate certified by the commission.

22 NEW SECTION. **Sec. 15.** (1) When during a primary election period
23 a report is filed, or other information comes to the attention of the
24 commission, indicating that a nonparticipating candidate who is not
25 unopposed in that primary has made expenditures during the election
26 cycle to date exceeding the original primary election spending limit,
27 including any previous adjustments, the commission shall immediately
28 pay from the account to the campaign account of any participating
29 candidate in the same party primary as the nonparticipating candidate
30 an amount equal to any excess of the reported amount over the primary
31 election spending limit, as previously adjusted, and the primary
32 election spending limit for all such participating candidates shall be
33 adjusted by increasing it by the amount that the commission is
34 obligated to pay to a participating candidate.

35 (2) When during a general election period a report has been filed,
36 or other information comes to the attention of the commission,
37 indicating that the amount a nonparticipating candidate who is not

1 unopposed has received in contributions during the election cycle to
2 date less the amount of expenditures the nonparticipating candidate
3 made through the end of the primary election period exceeds the
4 original general election spending limit, including any previous
5 adjustments, the commission shall immediately pay from the account to
6 the campaign account of any participating candidate qualified for the
7 ballot and seeking the same office as the nonparticipating candidate an
8 amount equal to any excess of the reported difference over the general
9 election spending limit, as previously adjusted, and the general
10 election spending limit for all such participating candidates shall be
11 adjusted by increasing it by the amount that the commission is
12 obligated to pay to a participating candidate.

13 (3) For the purposes of subsections (1) and (2) of this section the
14 following expenditures reported under this chapter shall be treated as
15 follows:

16 (a) Independent expenditures against a participating candidate
17 shall be treated as expenditures of each opposing candidate, for the
18 purposes of subsection (1) of this section, or contributions to each
19 opposing candidate, for the purposes of subsection (2) of this section;

20 (b) Independent expenditures in favor of one or more
21 nonparticipating opponents of a participating candidate shall be
22 treated as expenditures of those nonparticipating candidates, for the
23 purposes of subsection (1) of this section, or contributions to those
24 nonparticipating candidates, for the purposes of subsection (2) of this
25 section;

26 (c) Independent expenditures in favor of a participating candidate
27 shall be treated, for every opposing participating candidate, as though
28 the independent expenditures were an expenditure of a nonparticipating
29 opponent, for the purposes of subsection (1) of this section, or a
30 contribution to a nonparticipating opponent, for the purposes of
31 subsection (2) of this section;

32 (d) Expenditures made during the primary election period, by or on
33 behalf of an independent candidate or a nonparticipating candidate who
34 is unopposed in a party primary, shall be treated as though they were
35 made during the general election period, and equalizing funds under
36 subsection (2) of this section shall be paid at the start of the
37 general election period;

1 (e) Expenditures made before the general election period that
2 consist of a contract, promise, or agreement to make an expenditure
3 during the general election period resulting in an extension of credit
4 shall be treated as though they were made during the general election
5 period, and equalizing funds under subsection (2) of this section shall
6 be paid at the start of the general election period; and

7 (f) Expenditures for or against a participating candidate promoting
8 or opposing more than one candidate who are not running for the same
9 office shall be allocated by the commission among candidates for
10 different offices based on the relative size or length and relative
11 prominence of the reference to candidates for different offices.

12 (4) If an adjusted spending limit reaches three times the original
13 spending limit for a particular election, then the commission shall not
14 pay any further amounts from the account to the campaign account of any
15 participating candidate, and the spending limit shall not be adjusted
16 further.

17 NEW SECTION. **Sec. 16.** (1) At the end of the primary election
18 period, a participating candidate shall return to the account all money
19 in the candidate's campaign account above an amount sufficient to pay
20 any unpaid bills for expenditures made during the primary election
21 period and for goods or services directed to the primary election.

22 (2) At the end of the general election period, a participating
23 candidate shall return to the account all money in the candidate's
24 campaign account above an amount sufficient to pay any unpaid bills for
25 expenditures made before the general election and for goods or services
26 directed to the general election.

27 (3) A participating candidate shall pay all uncontested and unpaid
28 bills referenced in this section within thirty days after the primary
29 or general election. A participating candidate shall make monthly
30 reports to the commission concerning the status of the dispute over any
31 contested bills. Any money in a candidate's campaign account after
32 payment of bills shall be returned promptly to the account.

33 NEW SECTION. **Sec. 17.** (1) If the commission finds that there is
34 reason to believe that a person has violated this chapter, the
35 commission shall serve on that person an order stating with reasonable
36 particularity the nature of the violation and requiring compliance

1 within fourteen days. During that period, the alleged violator may
2 provide any explanation to the commission, comply with the order, or
3 enter into a public administrative settlement with the commission.

4 (2) Upon expiration of the fourteen days, if the commission finds
5 that the alleged violator remains out of compliance, the commission
6 shall make a public finding to that effect and issue an order assessing
7 a civil penalty in accordance with section 8 of this act, unless the
8 commission publishes findings of fact and conclusions of law expressing
9 good cause for reducing or excusing the penalty. The violator has
10 fourteen days from the date of issuance of the order assessing the
11 penalty to appeal to the superior court.

12 (3) Any candidate in a particular election contest who believes
13 that any opposing participating candidate has violated this article for
14 that election may file a complaint with the commission requesting that
15 action be taken under this section. If the commission fails to make a
16 finding under subsection (1) of this section within thirty days after
17 the filing of the complaint, the candidate may bring a civil action in
18 the superior court to impose the civil penalties prescribed in this
19 section.

20 NEW SECTION. **Sec. 18.** (1) Any filing under this chapter on behalf
21 of a candidate may be made by the candidate's campaign committee. All
22 candidates shall deposit any check received by and intended for the
23 campaign and made payable to the candidate or the candidate's campaign
24 committee, and all cash received by and intended for the campaign, in
25 the candidate's campaign account.

26 (2) Any report filed under this section shall be filed in
27 electronic format.

28 (3) During the primary election period and the general election
29 period, all candidates shall make available for public inspection all
30 bank accounts, campaign finance reports, and financial records relating
31 to the candidate's campaign, either by immediate disclosure through
32 electronic means or at the candidate's campaign headquarters, in
33 accordance with rules adopted by the commission.

34 NEW SECTION. **Sec. 19.** Every two years, the commission shall
35 modify the primary election spending limit and the dollar values

1 specified in sections 5(1)(b), 9, and 12(3) of this act to account for
2 inflation.

3 NEW SECTION. **Sec. 20.** A participating candidate shall use funds
4 in the candidate's campaign account to pay for goods and services for
5 direct campaign purposes only. A participating candidate's payment
6 from a campaign account to a political committee or civic organization
7 is not a contribution if the payment is reasonable in relation to the
8 value received. Payment of customary charges for services rendered,
9 such as for printing voter or telephone lists, and payment of not more
10 than one hundred fifty dollars per person to attend a political event
11 open to the public or to party members shall be considered reasonable
12 in relation to the value received.

13 (2) A participating candidate shall not use funds in the
14 candidate's campaign account for:

15 (a) Costs of legal defense in any campaign law enforcement
16 proceeding;

17 (b) Personal use, which includes household food items or supplies;
18 clothing other than items of de minimis value that are used in the
19 campaign; tuition payments other than those associated with training
20 campaign staff; mortgage, loan, rent, lease, or utility payments for
21 any part of any personal residence of the candidate or a member of the
22 candidate's family except for fair market value payments for real or
23 personal property owned or leased by the candidate or a member of the
24 candidate's family that is used for campaign purposes; admission to a
25 sporting event, concert, theater, or other form of entertainment,
26 unless part of a specific campaign activity; dues, fees, or gratuities
27 at a country club, health club, recreational facility, or other
28 nonpolitical organization, unless they are part of the costs of a
29 specific fund-raising event that takes place on the organization's
30 premises; and gifts or donations;

31 (c) Fixed assets with a value in excess of six hundred dollars.

32 NEW SECTION. **Sec. 21.** When any person is found, in any superior
33 or district court, liable for a civil penalty or guilty of having
34 committed a crime, there shall be imposed upon that person a penalty
35 assessment. The assessment shall be in addition to any other penalty

1 or fine imposed by law and shall be ten percent of the penalty or fine.
2 The assessment must be paid into the account.

3 NEW SECTION. **Sec. 22.** The commission shall adopt rules to
4 implement this chapter.

5 **Sec. 23.** RCW 42.17.095 and 2005 c 467 s 1 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
19 by the candidate or the candidate's political committee. The committee
20 shall include a copy of such record when its expenditure for such
21 reimbursement is reported pursuant to RCW 42.17.090;

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

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

26 (5) Transmit the surplus to the state treasurer for deposit in the
27 general fund, the oral history, state library, and archives account
28 under RCW 43.07.380, or the legislative international trade account
29 under RCW 44.04.270, as specified by the candidate or political
30 committee; ((~~or~~))

31 (6) Hold the surplus in the campaign depository or depositories
32 designated in accordance with RCW 42.17.050 for possible use in a
33 future election campaign for the same office last sought by the
34 candidate and report any such disposition in accordance with RCW
35 42.17.090: PROVIDED, That if the candidate subsequently announces or
36 publicly files for office, information as appropriate is reported to

1 the commission in accordance with RCW 42.17.040 through 42.17.090. If
2 a subsequent office is not sought the surplus held shall be disposed of
3 in accordance with the requirements of this section((~~-~~));

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

9 (8) No candidate or authorized committee may transfer funds to any
10 other candidate or other political committee; or

11 (9) Transfer the surplus to the Washington clean elections account.

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

14 **Sec. 24.** RCW 42.17.128 and 1993 c 2 s 24 are each amended to read
15 as follows:

16 Except as provided in chapter 42.-- RCW (sections 1 through 22 of
17 this act), public funds, whether derived through taxes, fees,
18 penalties, or any other sources, shall not be used to finance political
19 campaigns for state or local office.

20 NEW SECTION. **Sec. 25.** Sections 1 through 22 of this act
21 constitute a new chapter in Title 42 RCW.

--- END ---