

**HB 1189 - H AMD 81**

By Representative Pedersen

**ADOPTED 3/7/2007**

1           On page 2, beginning on line 5, strike all of subsection (3)  
2 and insert the following:

3           "(3) A limited liability company and all of its affiliates are  
4 treated as a single person for contribution purposes. For purposes  
5 of this section: (a) An "affiliate" of a limited liability company  
6 is any person who directly, or indirectly through one or more  
7 intermediaries, controls, or is controlled by, or is under common  
8 control with, the limited liability company; and (b) "control",  
9 including the terms "controlled by" and "under common control with"  
10 means the possession, direct or indirect, of the power to direct or  
11 cause the direction of the management and policies of a person  
12 whether through the ownership of voting securities, voting rights,  
13 by contract other than a commercial contract for goods,  
14 nonmanagement services, a debt obligation which is not convertible  
15 into a right to acquire a voting security, or otherwise, unless the  
16 power is the result of an official position with or corporate  
17 office held by the person. Control is presumed to exist if a  
18 person, directly or indirectly, owns, controls, holds with the  
19 power to vote, or holds proxies representing, ten percent or more  
20 of the voting securities of any other person."

**EFFECT:** Clarifies that a limited liability company and all of its affiliates are treated as a single person for campaign contribution purposes; defines an "affiliate" as any person who directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the limited liability company; and defines "control," including "controlled by" and "under common control with," as the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person.