SENATE BILL REPORT 2SHB 2016

As of February 22, 2010

Title: An act relating to campaign contribution and disclosure laws.

Brief Description: Concerning campaign contribution and disclosure laws.

Sponsors: House Committee on State Government & Tribal Affairs (originally sponsored by

Representatives Flannigan, Appleton, Hurst, Miloscia and Hunt).

Brief History: Passed House: 2/15/10, 63-35.

Committee Activity: Government Operations & Elections: 2/23/10.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS & ELECTIONS

Staff: Alison Mendiola (786-7483)

Background: Reorganization. Initiative 276, passed by the voters in 1972, established disclosure of campaign finances, lobbyist activities, financial affairs of elective officers and candidates, and access to public records. That initiative also created the Public Disclosure Commission (PDC), a five-member, bi-partisan citizen commission, to enforce the provisions of the campaign finance disclosure law.

Twenty years later, in 1992, the Fair Campaign Practices Act was enacted following passage of Initiative 134. Initiative 134 imposed campaign contribution limits on elections for statewide and legislative offices, further regulated independent expenditures, restricted the use of public funds for political purposes, and required public officials to report gifts received in excess of \$50.

Since the enactment of these initiatives numerous changes and additions have been made, including the enactment of SHB 1133 in 2005 resulting in a recodification of the public records portion of the Public Disclosure Act into chapter 42.56 RCW.

<u>Political Advertising.</u> Provisions for reporting political advertising (ad) and electioneering communications were enacted by the Legislature in 2005. Political advertising undertaken as an independent expenditure by a person or entity other than a party organization, and all electioneering communications must include a statement indicating that the ad is not authorized by any candidate, as well as information on who paid for the ad. If an ad is an

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independent expenditure or electioneering communication sponsored by a political committee, the top five contributors must be listed.

Contribution Limits. The dollar amounts that a person may give to a candidate is governed by law. These dollar amounts are adjusted for inflation every two years by the PDC. A political party has different limits than a person. Certain contributions are exempt from any limits, including contributions for the purpose of voter registration, get-out-the vote campaigns, or expenditures by a political committee for its own internal organization or fundraising without direct association with individual candidates. Any expenditure or contribution for independent expenditure or electioneering communication made by a political party for a candidate is considered to be a contribution to that candidate.

Summary of Bill: Reorganization. Chapter 42.17 RCW is reorganized and language is clarified. Obsolete provisions relating to the information technology plan and electronic filing are removed. The provisions repealed in RCW 42.17.131, 42.17.362, 42.17.365, 42.17.375, 42.17.562, 42.17.620, and 42.17.647 are included in other statutes. The contribution dollar amounts are updated and technical changes are made to clarify language.

<u>Definitions.</u> The definition for bona fide political party is changed as it relates to minor parties. A minor political party is an organization that has been recognized as such by the Secretary of State. In addition to a bank, a depository means a mutual savings bank, savings and loan association, or credit union doing business in this state. The definition for person in interest is moved from chapter 42.17 RCW to chapter 42.56 RCW as the term is applicable to the public records statutes. The definition for writing is removed.

<u>Political Advertising.</u> Requirements pertaining to independent expenditures and electioneering communications that require listing of the top five contributors are modified. If the sponsor of a communication is a political committee established, maintained, or controlled directly, or indirectly through the formation of one or more political committees, by an individual, corporation, union, association, or other entity, the full name of that individual or entity must be listed.

<u>Contribution Limits.</u> An expenditure or contribution for independent expenditures or electioneering communications are exempt from contribution limits.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: January 2, 2012 except for sections 505, relating to political advertising, and 602, relating to contribution limits, which take effect immediately.

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