

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5021

62nd Legislature
2011 Regular Session

Passed by the Senate April 14, 2011
YEAS 46 NAYS 0

President of the Senate

Passed by the House April 9, 2011
YEAS 97 NAYS 0

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5021** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5021

AS AMENDED BY THE HOUSE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By Senate Government Operations, Tribal Relations & Elections
(originally sponsored by Senators Pridemore, Kline, Kohl-Welles,
Keiser, Prentice, Tom, Chase, White, Nelson, Haugen, and McAuliffe)

READ FIRST TIME 02/16/11.

1 AN ACT Relating to enhancing election campaign disclosure
2 requirements to promote greater transparency for the public; amending
3 RCW 42.17A.245, 42.17A.750, and 42.17A.755; reenacting and amending RCW
4 42.17A.005 and 42.17A.205; adding a new section to chapter 42.17A RCW;
5 creating a new section; prescribing penalties; and providing an
6 effective date.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that timely and full
9 disclosure of election campaign funding and expenditures is essential
10 to a well-functioning democracy in which Washington's voters can judge
11 for themselves what is appropriate based on ideologies, programs, and
12 policies. Long-term voter engagement and confidence depends on the
13 public knowing who is funding the multiple and targeted messages
14 distributed during election campaigns.

15 The legislature also finds that recent events have revealed the
16 need for refining certain elements of our state's election campaign
17 finance laws that have proven inadequate in preventing efforts to hide
18 information from voters. The legislature intends, therefore, to
19 promote greater transparency for the public by enhancing penalties for

1 violations; regulating the formation of, and contributions between,
2 political committees; and reducing the expenditure thresholds for
3 purposes of mandatory electronic filing and disclosure.

4 **Sec. 2.** RCW 42.17A.005 and 2010 c 204 s 101 are each reenacted and
5 amended to read as follows:

6 The definitions in this section apply throughout this chapter
7 unless the context clearly requires otherwise.

8 (1) "Actual malice" means to act with knowledge of falsity or with
9 reckless disregard as to truth or falsity.

10 (2) "Agency" includes all state agencies and all local agencies.
11 "State agency" includes every state office, department, division,
12 bureau, board, commission, or other state agency. "Local agency"
13 includes every county, city, town, municipal corporation, quasi-
14 municipal corporation, or special purpose district, or any office,
15 department, division, bureau, board, commission, or agency thereof, or
16 other local public agency.

17 (3) "Authorized committee" means the political committee authorized
18 by a candidate, or by the public official against whom recall charges
19 have been filed, to accept contributions or make expenditures on behalf
20 of the candidate or public official.

21 (4) "Ballot proposition" means any "measure" as defined by RCW
22 29A.04.091, or any initiative, recall, or referendum proposition
23 proposed to be submitted to the voters of the state or any municipal
24 corporation, political subdivision, or other voting constituency from
25 and after the time when the proposition has been initially filed with
26 the appropriate election officer of that constituency before its
27 circulation for signatures.

28 (5) "Benefit" means a commercial, proprietary, financial, economic,
29 or monetary advantage, or the avoidance of a commercial, proprietary,
30 financial, economic, or monetary disadvantage.

31 (6) "Bona fide political party" means:

32 (a) An organization that has been recognized as a minor political
33 party by the secretary of state;

34 (b) The governing body of the state organization of a major
35 political party, as defined in RCW 29A.04.086, that is the body
36 authorized by the charter or bylaws of the party to exercise authority
37 on behalf of the state party; or

1 (c) The county central committee or legislative district committee
2 of a major political party. There may be only one legislative district
3 committee for each party in each legislative district.

4 (7) "Candidate" means any individual who seeks nomination for
5 election or election to public office. An individual seeks nomination
6 or election when he or she first:

7 (a) Receives contributions or makes expenditures or reserves space
8 or facilities with intent to promote his or her candidacy for office;

9 (b) Announces publicly or files for office;

10 (c) Purchases commercial advertising space or broadcast time to
11 promote his or her candidacy; or

12 (d) Gives his or her consent to another person to take on behalf of
13 the individual any of the actions in (a) or (c) of this subsection.

14 (8) "Caucus political committee" means a political committee
15 organized and maintained by the members of a major political party in
16 the state senate or state house of representatives.

17 (9) "Commercial advertiser" means any person who sells the service
18 of communicating messages or producing printed material for broadcast
19 or distribution to the general public or segments of the general public
20 whether through the use of newspapers, magazines, television and radio
21 stations, billboard companies, direct mail advertising companies,
22 printing companies, or otherwise.

23 (10) "Commission" means the agency established under RCW
24 42.17A.100.

25 (11) "Compensation" unless the context requires a narrower meaning,
26 includes payment in any form for real or personal property or services
27 of any kind. For the purpose of compliance with RCW 42.17A.710,
28 "compensation" does not include per diem allowances or other payments
29 made by a governmental entity to reimburse a public official for
30 expenses incurred while the official is engaged in the official
31 business of the governmental entity.

32 (12) "Continuing political committee" means a political committee
33 that is an organization of continuing existence not established in
34 anticipation of any particular election campaign.

35 (13)(a) "Contribution" includes:

36 (i) A loan, gift, deposit, subscription, forgiveness of
37 indebtedness, donation, advance, pledge, payment, transfer of funds

1 between political committees, or anything of value, including personal
2 and professional services for less than full consideration;

3 (ii) An expenditure made by a person in cooperation, consultation,
4 or concert with, or at the request or suggestion of, a candidate, a
5 political committee, the person or persons named on the candidate's or
6 committee's registration form who direct expenditures on behalf of the
7 candidate or committee, or their agents;

8 (iii) The financing by a person of the dissemination, distribution,
9 or republication, in whole or in part, of broadcast, written, graphic,
10 or other form of political advertising or electioneering communication
11 prepared by a candidate, a political committee, or its authorized
12 agent;

13 (iv) Sums paid for tickets to fund-raising events such as dinners
14 and parties, except for the actual cost of the consumables furnished at
15 the event.

16 (b) "Contribution" does not include:

17 (i) Standard interest on money deposited in a political committee's
18 account;

19 (ii) Ordinary home hospitality;

20 (iii) A contribution received by a candidate or political committee
21 that is returned to the contributor within five business days of the
22 date on which it is received by the candidate or political committee;

23 (iv) A news item, feature, commentary, or editorial in a regularly
24 scheduled news medium that is of primary interest to the general
25 public, that is in a news medium controlled by a person whose business
26 is that news medium, and that is not controlled by a candidate or a
27 political committee;

28 (v) An internal political communication primarily limited to the
29 members of or contributors to a political party organization or
30 political committee, or to the officers, management staff, or
31 stockholders of a corporation or similar enterprise, or to the members
32 of a labor organization or other membership organization;

33 (vi) The rendering of personal services of the sort commonly
34 performed by volunteer campaign workers, or incidental expenses
35 personally incurred by volunteer campaign workers not in excess of
36 fifty dollars personally paid for by the worker. "Volunteer services,"
37 for the purposes of this subsection, means services or labor for which
38 the individual is not compensated by any person;

1 (vii) Messages in the form of reader boards, banners, or yard or
2 window signs displayed on a person's own property or property occupied
3 by a person. However, a facility used for such political advertising
4 for which a rental charge is normally made must be reported as an in-
5 kind contribution and counts towards any applicable contribution limit
6 of the person providing the facility;

7 (viii) Legal or accounting services rendered to or on behalf of:

8 (A) A political party or caucus political committee if the person
9 paying for the services is the regular employer of the person rendering
10 such services; or

11 (B) A candidate or an authorized committee if the person paying for
12 the services is the regular employer of the individual rendering the
13 services and if the services are solely for the purpose of ensuring
14 compliance with state election or public disclosure laws; or

15 (ix) The performance of ministerial functions by a person on behalf
16 of two or more candidates or political committees either as volunteer
17 services defined in (b)(vi) of this subsection or for payment by the
18 candidate or political committee for whom the services are performed as
19 long as:

20 (A) The person performs solely ministerial functions;

21 (B) A person who is paid by two or more candidates or political
22 committees is identified by the candidates and political committees on
23 whose behalf services are performed as part of their respective
24 statements of organization under RCW 42.17A.205; and

25 (C) The person does not disclose, except as required by law, any
26 information regarding a candidate's or committee's plans, projects,
27 activities, or needs, or regarding a candidate's or committee's
28 contributions or expenditures that is not already publicly available
29 from campaign reports filed with the commission, or otherwise engage in
30 activity that constitutes a contribution under (a)(ii) of this
31 subsection.

32 A person who performs ministerial functions under this subsection
33 (13)(b)(ix) is not considered an agent of the candidate or committee as
34 long as he or she has no authority to authorize expenditures or make
35 decisions on behalf of the candidate or committee.

36 (c) Contributions other than money or its equivalent are deemed to
37 have a monetary value equivalent to the fair market value of the
38 contribution. Services or property or rights furnished at less than

1 their fair market value for the purpose of assisting any candidate or
2 political committee are deemed a contribution. Such a contribution
3 must be reported as an in-kind contribution at its fair market value
4 and counts towards any applicable contribution limit of the provider.

5 (14) "Depository" means a bank, mutual savings bank, savings and
6 loan association, or credit union doing business in this state.

7 (15) "Elected official" means any person elected at a general or
8 special election to any public office, and any person appointed to fill
9 a vacancy in any such office.

10 (16) "Election" includes any primary, general, or special election
11 for public office and any election in which a ballot proposition is
12 submitted to the voters. An election in which the qualifications for
13 voting include other than those requirements set forth in Article VI,
14 section 1 (Amendment 63) of the Constitution of the state of Washington
15 shall not be considered an election for purposes of this chapter.

16 (17) "Election campaign" means any campaign in support of or in
17 opposition to a candidate for election to public office and any
18 campaign in support of, or in opposition to, a ballot proposition.

19 (18) "Election cycle" means the period beginning on the first day
20 of January after the date of the last previous general election for the
21 office that the candidate seeks and ending on December 31st after the
22 next election for the office. In the case of a special election to
23 fill a vacancy in an office, "election cycle" means the period
24 beginning on the day the vacancy occurs and ending on December 31st
25 after the special election.

26 (19)(a) "Electioneering communication" means any broadcast, cable,
27 or satellite television or radio transmission, United States postal
28 service mailing, billboard, newspaper, or periodical that:

29 ((+a)) (i) Clearly identifies a candidate for a state, local, or
30 judicial office either by specifically naming the candidate, or
31 identifying the candidate without using the candidate's name;

32 ((+b)) (ii) Is broadcast, transmitted, mailed, erected,
33 distributed, or otherwise published within sixty days before any
34 election for that office in the jurisdiction in which the candidate is
35 seeking election; and

36 ((+c)) (iii) Either alone, or in combination with one or more
37 communications identifying the candidate by the same sponsor during the

1 sixty days before an election, has a fair market value of (~~(five)~~) one
2 thousand dollars or more.

3 (~~(20)~~) (b) "Electioneering communication" does not include:

4 (~~(a)~~) (i) Usual and customary advertising of a business owned by
5 a candidate, even if the candidate is mentioned in the advertising when
6 the candidate has been regularly mentioned in that advertising
7 appearing at least twelve months preceding his or her becoming a
8 candidate;

9 (~~(b)~~) (ii) Advertising for candidate debates or forums when the
10 advertising is paid for by or on behalf of the debate or forum sponsor,
11 so long as two or more candidates for the same position have been
12 invited to participate in the debate or forum;

13 (~~(c)~~) (iii) A news item, feature, commentary, or editorial in a
14 regularly scheduled news medium that is:

15 (~~(i)~~) (A) Of primary interest to the general public;

16 (~~(ii)~~) (B) In a news medium controlled by a person whose business
17 is that news medium; and

18 (~~(iii)~~) (C) Not a medium controlled by a candidate or a political
19 committee;

20 (~~(d)~~) (iv) Slate cards and sample ballots;

21 (~~(e)~~) (v) Advertising for books, films, dissertations, or similar
22 works (~~(i)~~) (A) written by a candidate when the candidate entered
23 into a contract for such publications or media at least twelve months
24 before becoming a candidate, or (~~(ii)~~) (B) written about a candidate;

25 (~~(f)~~) (vi) Public service announcements;

26 (~~(g)~~) (vii) A mailed internal political communication primarily
27 limited to the members of or contributors to a political party
28 organization or political committee, or to the officers, management
29 staff, or stockholders of a corporation or similar enterprise, or to
30 the members of a labor organization or other membership organization;

31 (~~(h)~~) (viii) An expenditure by or contribution to the authorized
32 committee of a candidate for state, local, or judicial office; or

33 (~~(i)~~) (ix) Any other communication exempted by the commission
34 through rule consistent with the intent of this chapter.

35 (~~(21)~~) (20) "Expenditure" includes a payment, contribution,
36 subscription, distribution, loan, advance, deposit, or gift of money or
37 anything of value, and includes a contract, promise, or agreement,
38 whether or not legally enforceable, to make an expenditure.

1 "Expenditure" also includes a promise to pay, a payment, or a transfer
2 of anything of value in exchange for goods, services, property,
3 facilities, or anything of value for the purpose of assisting,
4 benefiting, or honoring any public official or candidate, or assisting
5 in furthering or opposing any election campaign. For the purposes of
6 this chapter, agreements to make expenditures, contracts, and promises
7 to pay may be reported as estimated obligations until actual payment is
8 made. "Expenditure" shall not include the partial or complete
9 repayment by a candidate or political committee of the principal of a
10 loan, the receipt of which loan has been properly reported.

11 ~~((+22+))~~ (21) "Final report" means the report described as a final
12 report in RCW 42.17A.235(2).

13 ~~((+23+))~~ (22) "General election" for the purposes of RCW 42.17A.405
14 means the election that results in the election of a person to a state
15 or local office. It does not include a primary.

16 ~~((+24+))~~ (23) "Gift" has the definition in RCW 42.52.010.

17 ~~((+25+))~~ (24) "Immediate family" includes the spouse or domestic
18 partner, dependent children, and other dependent relatives, if living
19 in the household. For the purposes of the definition of "intermediary"
20 in this section, "immediate family" means an individual's spouse or
21 domestic partner, and child, stepchild, grandchild, parent, stepparent,
22 grandparent, brother, half brother, sister, or half sister of the
23 individual and the spouse or the domestic partner of any such person
24 and a child, stepchild, grandchild, parent, stepparent, grandparent,
25 brother, half brother, sister, or half sister of the individual's
26 spouse or domestic partner and the spouse or the domestic partner of
27 any such person.

28 ~~((+26+))~~ (25) "Incumbent" means a person who is in present
29 possession of an elected office.

30 ~~((+27+))~~ (26) "Independent expenditure" means an expenditure that
31 has each of the following elements:

32 (a) It is made in support of or in opposition to a candidate for
33 office by a person who is not (i) a candidate for that office, (ii) an
34 authorized committee of that candidate for that office, (iii) a person
35 who has received the candidate's encouragement or approval to make the
36 expenditure, if the expenditure pays in whole or in part for political
37 advertising supporting that candidate or promoting the defeat of any
38 other candidate or candidates for that office, or (iv) a person with

1 whom the candidate has collaborated for the purpose of making the
2 expenditure, if the expenditure pays in whole or in part for political
3 advertising supporting that candidate or promoting the defeat of any
4 other candidate or candidates for that office;

5 (b) The expenditure pays in whole or in part for political
6 advertising that either specifically names the candidate supported or
7 opposed, or clearly and beyond any doubt identifies the candidate
8 without using the candidate's name; and

9 (c) The expenditure, alone or in conjunction with another
10 expenditure or other expenditures of the same person in support of or
11 opposition to that candidate, has a value of eight hundred dollars or
12 more. A series of expenditures, each of which is under eight hundred
13 dollars, constitutes one independent expenditure if their cumulative
14 value is eight hundred dollars or more.

15 ~~((+28+))~~ (27)(a) "Intermediary" means an individual who transmits
16 a contribution to a candidate or committee from another person unless
17 the contribution is from the individual's employer, immediate family,
18 or an association to which the individual belongs.

19 (b) A treasurer or a candidate is not an intermediary for purposes
20 of the committee that the treasurer or candidate serves.

21 (c) A professional fund-raiser is not an intermediary if the fund-
22 raiser is compensated for fund-raising services at the usual and
23 customary rate.

24 (d) A volunteer hosting a fund-raising event at the individual's
25 home is not an intermediary for purposes of that event.

26 ~~((+29+))~~ (28) "Legislation" means bills, resolutions, motions,
27 amendments, nominations, and other matters pending or proposed in
28 either house of the state legislature, and includes any other matter
29 that may be the subject of action by either house or any committee of
30 the legislature and all bills and resolutions that, having passed both
31 houses, are pending approval by the governor.

32 ~~((+30+))~~ (29) "Legislative office" means the office of a member of
33 the state house of representatives or the office of a member of the
34 state senate.

35 ~~((+31+))~~ (30) "Lobby" and "lobbying" each mean attempting to
36 influence the passage or defeat of any legislation by the legislature
37 of the state of Washington, or the adoption or rejection of any rule,
38 standard, rate, or other legislative enactment of any state agency

1 under the state administrative procedure act, chapter 34.05 RCW.
2 Neither "lobby" nor "lobbying" includes an association's or other
3 organization's act of communicating with the members of that
4 association or organization.

5 ~~((+32+))~~ (31) "Lobbyist" includes any person who lobbies either in
6 his or her own or another's behalf.

7 ~~((+33+))~~ (32) "Lobbyist's employer" means the person or persons by
8 whom a lobbyist is employed and all persons by whom he or she is
9 compensated for acting as a lobbyist.

10 ~~((+34+))~~ (33) "Ministerial functions" means an act or duty carried
11 out as part of the duties of an administrative office without exercise
12 of personal judgment or discretion.

13 ~~((+35+))~~ (34) "Participate" means that, with respect to a
14 particular election, an entity:

15 (a) Makes either a monetary or in-kind contribution to a candidate;

16 (b) Makes an independent expenditure or electioneering
17 communication in support of or opposition to a candidate;

18 (c) Endorses a candidate before contributions are made by a
19 subsidiary corporation or local unit with respect to that candidate or
20 that candidate's opponent;

21 (d) Makes a recommendation regarding whether a candidate should be
22 supported or opposed before a contribution is made by a subsidiary
23 corporation or local unit with respect to that candidate or that
24 candidate's opponent; or

25 (e) Directly or indirectly collaborates or consults with a
26 subsidiary corporation or local unit on matters relating to the support
27 of or opposition to a candidate, including, but not limited to, the
28 amount of a contribution, when a contribution should be given, and what
29 assistance, services or independent expenditures, or electioneering
30 communications, if any, will be made or should be made in support of or
31 opposition to a candidate.

32 ~~((+36+))~~ (35) "Person" includes an individual, partnership, joint
33 venture, public or private corporation, association, federal, state, or
34 local governmental entity or agency however constituted, candidate,
35 committee, political committee, political party, executive committee
36 thereof, or any other organization or group of persons, however
37 organized.

1 ~~((37))~~ (36) "Political advertising" includes any advertising
2 displays, newspaper ads, billboards, signs, brochures, articles,
3 tabloids, flyers, letters, radio or television presentations, or other
4 means of mass communication, used for the purpose of appealing,
5 directly or indirectly, for votes or for financial or other support or
6 opposition in any election campaign.

7 ~~((38))~~ (37) "Political committee" means any person (except a
8 candidate or an individual dealing with his or her own funds or
9 property) having the expectation of receiving contributions or making
10 expenditures in support of, or opposition to, any candidate or any
11 ballot proposition.

12 ~~((39))~~ (38) "Primary" for the purposes of RCW 42.17A.405 means
13 the procedure for nominating a candidate to state or local office under
14 chapter 29A.52 RCW or any other primary for an election that uses, in
15 large measure, the procedures established in chapter 29A.52 RCW.

16 ~~((40))~~ (39) "Public office" means any federal, state, judicial,
17 county, city, town, school district, port district, special district,
18 or other state political subdivision elective office.

19 ~~((41))~~ (40) "Public record" has the definition in RCW 42.56.010.

20 ~~((42))~~ (41) "Recall campaign" means the period of time beginning
21 on the date of the filing of recall charges under RCW 29A.56.120 and
22 ending thirty days after the recall election.

23 ~~((43))~~ (42)(a) "Sponsor" for purposes of an electioneering
24 communications, independent expenditures, or political advertising(~~((♠))~~)
25 means the person paying for the electioneering communication,
26 independent expenditure, or political advertising. If a person acts as
27 an agent for another or is reimbursed by another for the payment, the
28 original source of the payment is the sponsor.

29 (b) "Sponsor," for purposes of a political committee, means any
30 person, except an authorized committee, to whom any of the following
31 applies:

32 (i) The committee receives eighty percent or more of its
33 contributions either from the person or from the person's members,
34 officers, employees, or shareholders;

35 (ii) The person collects contributions for the committee by use of
36 payroll deductions or dues from its members, officers, or employees.

37 (43) "Sponsored committee" means a committee, other than an
38 authorized committee, that has one or more sponsors.

1 (44) "State office" means state legislative office or the office of
2 governor, lieutenant governor, secretary of state, attorney general,
3 commissioner of public lands, insurance commissioner, superintendent of
4 public instruction, state auditor, or state treasurer.

5 (45) "State official" means a person who holds a state office.

6 (46) "Surplus funds" mean, in the case of a political committee or
7 candidate, the balance of contributions that remain in the possession
8 or control of that committee or candidate subsequent to the election
9 for which the contributions were received, and that are in excess of
10 the amount necessary to pay remaining debts incurred by the committee
11 or candidate with respect to that election. In the case of a
12 continuing political committee, "surplus funds" mean those
13 contributions remaining in the possession or control of the committee
14 that are in excess of the amount necessary to pay all remaining debts
15 when it makes its final report under RCW 42.17A.255.

16 (47) "Treasurer" and "deputy treasurer" mean the individuals
17 appointed by a candidate or political committee, pursuant to RCW
18 42.17A.210, to perform the duties specified in that section.

19 **Sec. 3.** RCW 42.17A.205 and 2010 c 205 s 1 and 2010 c 204 s 402 are
20 each reenacted and amended to read as follows:

21 (1) Every political committee shall file a statement of
22 organization with the commission. The statement must be filed within
23 two weeks after organization or within two weeks after the date the
24 committee first has the expectation of receiving contributions or
25 making expenditures in any election campaign, whichever is earlier. A
26 political committee organized within the last three weeks before an
27 election and having the expectation of receiving contributions or
28 making expenditures during and for that election campaign shall file a
29 statement of organization within three business days after its
30 organization or when it first has the expectation of receiving
31 contributions or making expenditures in the election campaign.

32 (2) The statement of organization shall include but not be limited
33 to:

34 (a) The name and address of the committee;

35 (b) The names and addresses of all related or affiliated committees
36 or other persons, and the nature of the relationship or affiliation;

1 (c) The names, addresses, and titles of its officers; or if it has
2 no officers, the names, addresses, and titles of its responsible
3 leaders;

4 (d) The name and address of its treasurer and depository;

5 (e) A statement whether the committee is a continuing one;

6 (f) The name, office sought, and party affiliation of each
7 candidate whom the committee is supporting or opposing, and, if the
8 committee is supporting the entire ticket of any party, the name of the
9 party;

10 (g) The ballot proposition concerned, if any, and whether the
11 committee is in favor of or opposed to such proposition;

12 (h) What distribution of surplus funds will be made, in accordance
13 with RCW 42.17A.430, in the event of dissolution;

14 (i) The street address of the place and the hours during which the
15 committee will make available for public inspection its books of
16 account and all reports filed in accordance with RCW 42.17A.235;

17 (j) Such other information as the commission may by regulation
18 prescribe, in keeping with the policies and purposes of this chapter;

19 (k) The name, address, and title of any person who authorizes
20 expenditures or makes decisions on behalf of the candidate or
21 committee; and

22 (l) The name, address, and title of any person who is paid by or is
23 a volunteer for a candidate or political committee to perform
24 ministerial functions and who performs ministerial functions on behalf
25 of two or more candidates or committees.

26 (3) No two political committees may have the same name.

27 (4) Any material change in information previously submitted in a
28 statement of organization shall be reported to the commission within
29 the ten days following the change.

30 (5) As used in this section, the "name" of a sponsored committee
31 must include the name of the person that is the sponsor of the
32 committee. If more than one person meets the definition of sponsor,
33 the name of the committee must include the name of at least one
34 sponsor, but may include the names of other sponsors. A person may
35 sponsor only one political committee for the same elected office or
36 same ballot measure per election cycle.

1 **Sec. 4.** RCW 42.17A.245 and 2010 c 204 s 410 are each amended to
2 read as follows:

3 (1) Each candidate or political committee that expended (~~ten~~)
4 five thousand dollars or more in the preceding year or expects to
5 expend (~~ten~~) five thousand dollars or more in the current year shall
6 file all contribution reports and expenditure reports required by this
7 chapter by the electronic alternative provided by the commission under
8 RCW 42.17A.055. The commission may make exceptions on a case-by-case
9 basis for candidates whose authorized committees lack the technological
10 ability to file reports using the electronic alternative provided by
11 the commission.

12 (2) Failure by a candidate or political committee to comply with
13 this section is a violation of this chapter.

14 NEW SECTION. **Sec. 5.** A new section is added to chapter 42.17A RCW
15 to read as follows:

16 A political committee may make a contribution to another political
17 committee only when the contributing political committee has received
18 contributions of ten dollars or more each from at least ten persons
19 registered to vote in Washington state.

20 **Sec. 6.** RCW 42.17A.750 and 2010 c 204 s 1001 are each amended to
21 read as follows:

22 (1) In addition to the penalties in subsection (2) of this section,
23 and any other remedies provided by law, one or more of the following
24 civil remedies and sanctions may be imposed by court order in addition
25 to any other remedies provided by law:

26 (~~(1)~~) (a) If the court finds that the violation of any provision
27 of this chapter by any candidate or political committee probably
28 affected the outcome of any election, the result of that election may
29 be held void and a special election held within sixty days of the
30 finding. Any action to void an election shall be commenced within one
31 year of the date of the election in question. It is intended that this
32 remedy be imposed freely in all appropriate cases to protect the right
33 of the electorate to an informed and knowledgeable vote.

34 (~~(2)~~) (b) If any lobbyist or sponsor of any grass roots lobbying
35 campaign violates any of the provisions of this chapter, his or her
36 registration may be revoked or suspended and he or she may be enjoined

1 from receiving compensation or making expenditures for lobbying. The
2 imposition of a sanction shall not excuse the lobbyist from filing
3 statements and reports required by this chapter.

4 ~~((+3))~~ (c) A person who violates any of the provisions of this
5 chapter may be subject to a civil penalty of not more than ten thousand
6 dollars for each violation. However, a person or entity who violates
7 RCW 42.17A.405 may be subject to a civil penalty of ten thousand
8 dollars or three times the amount of the contribution illegally made or
9 accepted, whichever is greater.

10 ~~((+4))~~ (d) A person who fails to file a properly completed
11 statement or report within the time required by this chapter may be
12 subject to a civil penalty of ten dollars per day for each day each
13 delinquency continues.

14 ~~((+5))~~ (e) A person who fails to report a contribution or
15 expenditure as required by this chapter may be subject to a civil
16 penalty equivalent to the amount not reported as required.

17 ~~((+6))~~ (f) The court may enjoin any person to prevent the doing of
18 any act herein prohibited, or to compel the performance of any act
19 required herein.

20 (2) The commission may refer the following violations for criminal
21 prosecution:

22 (a) A person who, with actual malice, violates a provision of this
23 chapter is guilty of a misdemeanor under chapter 9.92 RCW;

24 (b) A person who, within a five-year period, with actual malice,
25 violates three or more provisions of this chapter is guilty of a gross
26 misdemeanor under chapter 9.92 RCW; and

27 (c) A person who, with actual malice, procures or offers any false
28 or forged document to be filed, registered, or recorded with the
29 commission under this chapter is guilty of a class C felony under
30 chapter 9.94A RCW.

31 **Sec. 7.** RCW 42.17A.755 and 2010 c 204 s 1002 are each amended to
32 read as follows:

33 (1) The commission may (a) determine whether an actual violation of
34 this chapter has occurred; and (b) issue and enforce an appropriate
35 order following such a determination.

36 (2) The commission, in cases where it chooses to determine whether
37 an actual violation has occurred, shall hold a hearing pursuant to the

1 administrative procedure act, chapter 34.05 RCW, to make a
2 determination. Any order that the commission issues under this section
3 shall be pursuant to such a hearing.

4 (3) In lieu of holding a hearing or issuing an order under this
5 section, the commission may refer the matter to the attorney general or
6 other enforcement agency as provided in RCW 42.17A.105.

7 (4) The person against whom an order is directed under this section
8 shall be designated as the respondent. The order may require the
9 respondent to cease and desist from the activity that constitutes a
10 violation and in addition, or alternatively, may impose one or more of
11 the remedies provided in RCW 42.17A.750 (~~((2) through (5))~~) (1) (b)
12 through (e). (~~(No individual penalty assessed by the commission may~~
13 ~~exceed one thousand seven hundred dollars, and in any case where~~
14 ~~multiple violations are involved in a single complaint or hearing, the~~
15 ~~maximum aggregate penalty may not exceed four thousand two hundred))
16 The commission may assess a penalty in an amount not to exceed ten
17 thousand dollars.~~

18 (5) The commission has the authority to waive a fine for a first-
19 time violation. A second violation of the same rule by the same person
20 or individual, regardless if the person or individual committed the
21 violation for a different political committee, shall result in a fine.
22 Succeeding violations of the same rule shall result in successively
23 increased fines.

24 (6) An order issued by the commission under this section shall be
25 subject to judicial review under the administrative procedure act,
26 chapter 34.05 RCW. If the commission's order is not satisfied and no
27 petition for review is filed within thirty days, the commission may
28 petition a court of competent jurisdiction of any county in which a
29 petition for review could be filed under that section, for an order of
30 enforcement. Proceedings in connection with the commission's petition
31 shall be in accordance with RCW 42.17A.760.

32 NEW SECTION. Sec. 8. This act takes effect January 1, 2012.

33 NEW SECTION. Sec. 9. If any provision of this act or its
34 application to any person or circumstance is held invalid, the

1 remainder of the act or the application of the provision to other
2 persons or circumstances is not affected.

--- END ---