

# SENATE BILL REPORT

## SB 5483

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As Reported by Senate Committee On:  
Government Operations & Security, February 17, 2015

**Title:** An act relating to fund sharing between political committees.

**Brief Description:** Concerning fund sharing between political committees.

**Sponsors:** Senators Roach, Billig and Hasegawa.

**Brief History:**

**Committee Activity:** Government Operations & Security: 2/16/15, 2/17/15 [DPS].

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS & SECURITY

**Majority Report:** That Substitute Senate Bill No. 5483 be substituted therefor, and the substitute bill do pass.

Signed by Senators Roach, Chair; Pearson, Vice Chair; Liias, Ranking Minority Member; Habib and McCoy.

**Staff:** Samuel Brown (786-7470)

**Background:** In 1992 Initiative 134 was passed, establishing campaign contribution limits in elections for statewide and legislative office. The stated purposes of the initiative were to: (1) give individuals and interest groups equal opportunities to influence elective and governmental processes; (2) reduce the influence of large organizational contributors; and (3) restore public trust in governmental institutions and the electoral process.

The term contribution is broadly defined in statute, and includes any payment, loan, gift, deposit, forgiveness of debt, donation, advance, pledge, or transfer of funds. Further examples of contributions include the financing of an electioneering communication and making an expenditure in cooperation with or at the direction of a person designated to direct expenditures to the candidate or committee. Ordinary home hospitality, contributions which are returned within five business days, non-coordinated news coverage, and internal political communications are not considered contributions. Customary volunteer services, display of messages on a person's property, legal or accounting services if provided by a regular employee, and the performance of ministerial functions are also not considered contributions to a candidate or committee.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

Campaign contribution limits are adjusted for inflation by the Public Disclosure Commission by rule every even-numbered calendar year. 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. A contribution for independent expenditures or electioneering communications is exempt from contribution limits.

**Summary of Bill (Recommended Substitute):** A candidate or political committee's payment in any amount of a joint campaign expense shared with another candidate or political committee is a contribution in the amount of the expense incurred by the non-paying candidate or committee, subject to contribution limits and disclosure requirements, if not reimbursed within five days.

The reimbursement of an individual's out-of-pocket expenses incurred on behalf of another political committee is treated as a contribution to the other political committee. Monthly contribution and expenditure reports must detail any reimbursements of shared campaign expenses.

**EFFECT OF CHANGES MADE BY GOVERNMENT OPERATIONS & SECURITY COMMITTEE (Recommended Substitute):** Payment of a joint campaign expense shared with another candidate or political committee is considered a contribution in the amount of the expense incurred by the non-paying candidate or committee if:

- made in any amount; and
- not reimbursed within five days.

The reimbursement of an individual's out-of-pocket expenses incurred on behalf of another political committee is treated as a contribution to the other political committee. Monthly contribution and expenditure reports must detail any reimbursements of shared campaign expenses.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony on Original Bill:** PRO: I experienced a situation where two people were running against me, not one, and they shared campaign money. One campaign would buy ads and allow the other campaign to pay their portion over a period of time, so there's a lending of money. Candidates can't give money to another political committee – then the candidate would be a political committee themselves.

**Persons Testifying:** PRO: Senator Roach, prime sponsor.