
SENATE BILL 5308

State of Washington

64th Legislature

2015 Regular Session

By Senators Roach, Liias, Dansel, McCoy, Pearson, and Benton; by request of Public Disclosure Commission

Read first time 01/19/15. Referred to Committee on Government Operations & State Security.

1 AN ACT Relating to financial reporting by elected and appointed
2 officials, candidates, and appointees; and amending RCW 42.17A.120
3 and 42.17A.710.

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

5 **Sec. 1.** RCW 42.17A.120 and 2010 c 204 s 304 are each amended to
6 read as follows:

7 (1) The commission may suspend or modify any of the reporting
8 requirements of this chapter if it finds that literal application of
9 this chapter works a manifestly unreasonable hardship in a particular
10 case and the suspension or modification will not frustrate the
11 purposes of this chapter. The commission may suspend or modify
12 reporting requirements only after a hearing is held and the
13 suspension or modification receives approval from a majority of the
14 commission. A suspension or modification of the financial affairs
15 reporting requirements in RCW 42.17A.710 may be approved for an
16 elected official's term of office, or for up to three years for an
17 executive state officer, where no material change in the applicant's
18 circumstances is anticipated. The commission shall act to suspend or
19 modify any reporting requirements:

20 (a) Only if it determines that facts exist that are clear and
21 convincing proof of the findings required under this section; and

1 (b) Only to the extent necessary to substantially relieve the
2 hardship.

3 (2) A manifestly unreasonable hardship exists if reporting the
4 name of an entity required to be reported under RCW
5 42.17A.710(1)(g)(ii) would be likely to adversely affect the
6 competitive position of any entity in which the person filing the
7 report, or any member of his or her immediate family, holds any
8 office, directorship, general partnership interest, or an ownership
9 interest of ten percent or more.

10 (3) Requests for renewals of reporting modifications may be heard
11 in a brief adjudicative proceeding as set forth in RCW 34.05.482
12 through 34.05.494 and in accordance with the standards established in
13 this section. No initial request may be heard in a brief adjudicative
14 proceeding. No request for renewal may be heard in a brief
15 adjudicative proceeding if the initial request was granted more than
16 three years previously or if the applicant is holding an office or
17 position of employment different from the office or position held
18 when the initial request was granted.

19 (4) Any citizen has standing to bring an action in Thurston
20 county superior court to contest the propriety of any order entered
21 under this section within one year from the date of the entry of the
22 order.

23 (5) The commission shall adopt rules governing the proceedings.

24 **Sec. 2.** RCW 42.17A.710 and 2010 c 204 s 903 are each amended to
25 read as follows:

26 (1) The statement of financial affairs required by RCW 42.17A.700
27 shall disclose the following information for the reporting individual
28 and each member of his or her immediate family:

29 (a) Occupation, name of employer, and business address;

30 (b)(i) Each bank account, savings account, and insurance policy
31 in which a direct financial interest was held that exceeds (~~twenty~~)
32 twenty-four thousand dollars at any time during the reporting period
33 and its highest value during the reporting period; and

34 (ii) Each other item of intangible personal property in which a
35 direct financial interest was held that exceeds (~~two~~) five thousand
36 dollars during the reporting period(~~the name, address, and nature~~
37 of the entity; and the nature and highest value of each direct
38 financial interest during the reporting period)). For each reportable
39 interest under this subsection (1)(b)(ii), the disclosure must

1 include the name and nature of the direct financial interest and its
2 value. For purposes of reporting the value of any reportable direct
3 financial interest held on December 31st of the reporting period, the
4 year-end value may be used. When reporting the value of any
5 reportable direct financial interest not held on December 31st of the
6 reporting period, the highest value during the reporting period must
7 be used. Ownership of shares of multiple mutual funds within the same
8 mutual fund family may be disclosed by reporting the mutual fund
9 family name;

10 (c) The name and address of each creditor to whom the value of
11 two thousand four hundred dollars or more was owed; the original
12 amount of each debt to each creditor; the amount of each debt owed to
13 each creditor as of the date of filing; the terms of repayment of
14 each debt; and the security given, if any, for each such debt. Debts
15 arising from a "retail installment transaction" as defined in chapter
16 63.14 RCW (retail installment sales act) need not be reported;

17 (d) Every public or private office, directorship, and position
18 held as trustee;

19 (e) All persons for whom any legislation, rule, rate, or standard
20 has been prepared, promoted, or opposed for current or deferred
21 compensation. For the purposes of this subsection, "compensation"
22 does not include payments made to the person reporting by the
23 governmental entity for which the person serves as an elected
24 official or state executive officer or professional staff member for
25 his or her service in office; the description of such actual or
26 proposed legislation, rules, rates, or standards; and the amount of
27 current or deferred compensation paid or promised to be paid;

28 (f) The name and address of each governmental entity,
29 corporation, partnership, joint venture, sole proprietorship,
30 association, union, or other business or commercial entity from whom
31 compensation has been received in any form of a total value of two
32 thousand four hundred dollars or more; the value of the compensation;
33 and the consideration given or performed in exchange for the
34 compensation;

35 (g) The name of any corporation, partnership, joint venture,
36 association, union, or other entity in which is held any office,
37 directorship, or any general partnership interest, or an ownership
38 interest of ten percent or more; the name or title of that office,
39 directorship, or partnership; the nature of ownership interest; and:

40 (i) With respect to a governmental unit in which the official seeks

1 or holds any office or position, if the entity has received
2 compensation in any form during the preceding twelve months from the
3 governmental unit, the value of the compensation and the
4 consideration given or performed in exchange for the compensation;
5 and (ii) the name of each governmental unit, corporation,
6 partnership, joint venture, sole proprietorship, association, union,
7 or other business or commercial entity from which the entity has
8 received compensation in any form in the amount of (~~ten~~) twelve
9 thousand dollars or more during the preceding twelve months and the
10 consideration given or performed in exchange for the compensation. As
11 used in (g)(ii) of this subsection, "compensation" does not include
12 payment for water and other utility services at rates approved by the
13 Washington state utilities and transportation commission or the
14 legislative authority of the public entity providing the service.
15 With respect to any bank or commercial lending institution in which
16 is held any office, directorship, partnership interest, or ownership
17 interest, it shall only be necessary to report either the name,
18 address, and occupation of every director and officer of the bank or
19 commercial lending institution and the average monthly balance of
20 each account held during the preceding twelve months by the bank or
21 commercial lending institution from the governmental entity for which
22 the individual is an official or candidate or professional staff
23 member, or all interest paid by a borrower on loans from and all
24 interest paid to a depositor by the bank or commercial lending
25 institution if the interest exceeds two thousand (~~four~~) nine
26 hundred dollars;

27 (h) Except as provided in subsection (2) of this section, a list,
28 including legal or other sufficient descriptions as prescribed by the
29 commission, of all real property in the state of Washington, the
30 assessed valuation of which exceeds (~~ten~~) twelve thousand dollars
31 in which any direct financial interest was acquired during the
32 preceding calendar year, and a statement of the amount and nature of
33 the financial interest and of the consideration given in exchange for
34 that interest;

35 (i) Except as provided in subsection (2) of this section, a list,
36 including legal or other sufficient descriptions as prescribed by the
37 commission, of all real property in the state of Washington, the
38 assessed valuation of which exceeds (~~ten~~) twelve thousand dollars
39 in which any direct financial interest was divested during the
40 preceding calendar year, and a statement of the amount and nature of

1 the consideration received in exchange for that interest, and the
2 name and address of the person furnishing the consideration;

3 (j) Except as provided in subsection (2) of this section, a list,
4 including legal or other sufficient descriptions as prescribed by the
5 commission, of all real property in the state of Washington, the
6 assessed valuation of which exceeds (~~ten~~) twelve thousand dollars
7 in which a direct financial interest was held. If a description of
8 the property has been included in a report previously filed, the
9 property may be listed, for purposes of this subsection (1)(j), by
10 reference to the previously filed report;

11 (k) Except as provided in subsection (2) of this section, a list,
12 including legal or other sufficient descriptions as prescribed by the
13 commission, of all real property in the state of Washington, the
14 assessed valuation of which exceeds (~~twenty~~) twenty-four thousand
15 dollars, in which a corporation, partnership, firm, enterprise, or
16 other entity had a direct financial interest, in which corporation,
17 partnership, firm, or enterprise a ten percent or greater ownership
18 interest was held;

19 (l) A list of each occasion, specifying date, donor, and amount,
20 at which food and beverage in excess of fifty dollars was accepted
21 under RCW 42.52.150(5);

22 (m) A list of each occasion, specifying date, donor, and amount,
23 at which items specified in RCW 42.52.010(~~(+10)~~) (9) (d) and (f)
24 were accepted; and

25 (n) Such other information as the commission may deem necessary
26 in order to properly carry out the purposes and policies of this
27 chapter, as the commission shall prescribe by rule.

28 (2) When judges, prosecutors, sheriffs, or their immediate family
29 members are required to disclose real property that is the personal
30 residence of the judge, prosecutor, or sheriff, subsection (1)(h)
31 through (k) of this section may be satisfied by listing the city or
32 town for the mailing address where the property is located.

33 (3)(a) Where an amount is required to be reported under
34 subsection (1)(a) through (m) of this section, it (~~shall be~~
35 ~~sufficient to comply with the requirement to report whether the~~
36 ~~amount is less than four thousand dollars, at least four thousand~~
37 ~~dollars but less than twenty thousand dollars, at least twenty~~
38 ~~thousand dollars but less than forty thousand dollars, at least forty~~
39 ~~thousand dollars but less than one hundred thousand dollars, or one~~

1 ~~hundred thousand dollars or more~~) may be reported as provided in (b)
2 of this subsection.

3 (b)

4 <u>Code A</u>	<u>Less than \$30,000</u>
5 <u>Code B</u>	<u>At least \$30,000 but less than \$60,000</u>
6 <u>Code C</u>	<u>At least \$60,000 but less than \$100,000</u>
7 <u>Code D</u>	<u>At least \$100,000 but less than \$200,000</u>
8 <u>Code E</u>	<u>At least \$200,000 but less than \$500,000</u>
9 <u>Code F</u>	<u>At least \$500,000 but less than \$750,000</u>
10 <u>Code G</u>	<u>At least \$750,000 but less than \$1,000,000</u>
11 <u>Code H</u>	<u>\$1,000,000 or more</u>

12 (c) An amount of stock may be reported by number of shares
13 instead of by market value.

14 (d) No provision of this subsection (3) may be interpreted to
15 prevent any person from filing more information or more detailed
16 information than required.

17 ~~((+3))~~ (4) Items of value given to an official's or employee's
18 spouse, domestic partner, or family member are attributable to the
19 official or employee, except the item is not attributable if an
20 independent business, family, or social relationship exists between
21 the donor and the spouse, domestic partner, or family member.

--- END ---