## SENATE BILL 5865

State of Washington 65th Legislature 2017 Regular Session

By Senators Fain, Zeiger, and Miloscia

Read first time 03/07/17. Referred to Committee on State Government.

- AN ACT Relating to prohibiting contributions to candidates by entities with close financial interests in state policy; amending RCW 42.17A.405; reenacting and amending RCW 42.17A.005; adding a new section to chapter 82.32 RCW; and providing for submission of this act to a vote of the people.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 Sec. 1. RCW 42.17A.005 and 2011 c 145 s 2 and 2011 c 60 s 19 are 8 each reenacted and amended to read as follows:
- 9 The definitions in this section apply throughout this chapter 10 unless the context clearly requires otherwise.
- 11 (1) "Actual malice" means to act with knowledge of falsity or 12 with reckless disregard as to truth or falsity.
- 13 (2) "Agency" includes all state agencies and all local agencies.
  14 "State agency" includes every state office, department, division,
  15 bureau, board, commission, or other state agency. "Local agency"
  16 includes every county, city, town, municipal corporation, quasi17 municipal corporation, or special purpose district, or any office,
  18 department, division, bureau, board, commission, or agency thereof,
  19 or other local public agency.
- 20 (3) "Authorized committee" means the political committee 21 authorized by a candidate, or by the public official against whom

p. 1 SB 5865

recall charges have been filed, to accept contributions or make expenditures on behalf of the candidate or public official.

- (4) "Ballot proposition" means any "measure" as defined by RCW 29A.04.091, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of the state or any municipal corporation, political subdivision, or other voting constituency from and after the time when the proposition has been initially filed with the appropriate election officer of that constituency before its circulation for signatures.
- 10 (5) "Benefit" means a commercial, proprietary, financial, 11 economic, or monetary advantage, or the avoidance of a commercial, 12 proprietary, financial, economic, or monetary disadvantage.
  - (6) "Bona fide political party" means:

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- 14 (a) An organization that has been recognized as a minor political party by the secretary of state;
  - (b) The governing body of the state organization of a major political party, as defined in RCW 29A.04.086, that is the body authorized by the charter or bylaws of the party to exercise authority on behalf of the state party; or
- 20 (c) The county central committee or legislative district 21 committee of a major political party. There may be only one 22 legislative district committee for each party in each legislative 23 district.
- 24 (7) "Candidate" means any individual who seeks nomination for 25 election or election to public office. An individual seeks nomination 26 or election when he or she first:
  - (a) Receives contributions or makes expenditures or reserves space or facilities with intent to promote his or her candidacy for office;
    - (b) Announces publicly or files for office;
- 31 (c) Purchases commercial advertising space or broadcast time to 32 promote his or her candidacy; or
- 33 (d) Gives his or her consent to another person to take on behalf 34 of the individual any of the actions in (a) or (c) of this 35 subsection.
- 36 (8) "Caucus political committee" means a political committee 37 organized and maintained by the members of a major political party in 38 the state senate or state house of representatives.
- (9)(a) "Collective bargaining" means the performance of the mutual obligations of the public employer, including the state of

p. 2 SB 5865

- Washington or the governor, and the exclusive bargaining representative to meet at reasonable times, to confer and negotiate in good faith, and to execute a written agreement with respect to grievance procedures and collective negotiations on personnel matters, including wages, hours, and working conditions, which may be peculiar to an appropriate bargaining unit of the public employer, except that by such obligation neither party may be compelled to agree to a proposal or be required to make a concession unless otherwise allowed under chapter 41.56, 41.80, 47.64, or 74.39A RCW.
- 10 (b) "Collective bargaining" also includes collective bargaining
  11 as defined in chapters 41.56, 41.80, 47.64, and 74.39A RCW.
  - (10) "Commercial advertiser" means any person who sells the service of communicating messages or producing printed material for broadcast or distribution to the general public or segments of the general public whether through the use of newspapers, magazines, television and radio stations, billboard companies, direct mail advertising companies, printing companies, or otherwise.
- $((\frac{10}{10}))$  <u>(11)</u> "Commission" means the agency established under RCW 19 42.17A.100.
  - $((\frac{(11)}{(11)}))$  (12) "Compensation" unless the context requires a narrower meaning, includes payment in any form for real or personal property or services of any kind. For the purpose of compliance with RCW 42.17A.710, "compensation" does not include per diem allowances or other payments made by a governmental entity to reimburse a public official for expenses incurred while the official is engaged in the official business of the governmental entity.
  - $((\frac{12}{12}))$  (13) "Continuing political committee" means a political committee that is an organization of continuing existence not established in anticipation of any particular election campaign.
    - $((\frac{13}{13}))$  (14)(a) "Contribution" includes:

- (i) A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or anything of value, including personal and professional services for less than full consideration;
- (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political committee, the person or persons named on the candidate's or committee's registration form who direct expenditures on behalf of the candidate or committee, or their agents;

p. 3 SB 5865

- 1 (iii) The financing by a person of the dissemination, 2 distribution, or republication, in whole or in part, of broadcast, 3 written, graphic, or other form of political advertising or 4 electioneering communication prepared by a candidate, a political 5 committee, or its authorized agent;
  - (iv) Sums paid for tickets to fund-raising events such as dinners and parties, except for the actual cost of the consumables furnished at the event.
    - (b) "Contribution" does not include:
- 10 (i) Standard interest on money deposited in a political 11 committee's account;
  - (ii) Ordinary home hospitality;

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- (iii) A contribution received by a candidate or political committee that is returned to the contributor within five business days of the date on which it is received by the candidate or political committee;
  - (iv) A news item, feature, commentary, or editorial in a regularly scheduled news medium that is of primary interest to the general public, that is in a news medium controlled by a person whose business is that news medium, and that is not controlled by a candidate or a political committee;
  - (v) An internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
  - (vi) The rendering of personal services of the sort commonly performed by volunteer campaign workers, or incidental expenses personally incurred by volunteer campaign workers not in excess of fifty dollars personally paid for by the worker. "Volunteer services," for the purposes of this subsection, means services or labor for which the individual is not compensated by any person;
  - (vii) Messages in the form of reader boards, banners, or yard or window signs displayed on a person's own property or property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made must be reported as an in-kind contribution and counts towards any applicable contribution limit of the person providing the facility;
  - (viii) Legal or accounting services rendered to or on behalf of:

p. 4 SB 5865

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

- (B) A candidate or an authorized committee if the person paying for the services is the regular employer of the individual rendering the services and if the services are solely for the purpose of ensuring compliance with state election or public disclosure laws; or
- (ix) The performance of ministerial functions by a person on behalf of two or more candidates or political committees either as volunteer services defined in (b)(vi) of this subsection or for payment by the candidate or political committee for whom the services are performed as long as:
  - (A) The person performs solely ministerial functions;
- (B) A person who is paid by two or more candidates or political committees is identified by the candidates and political committees on whose behalf services are performed as part of their respective statements of organization under RCW 42.17A.205; and
- (C) The person does not disclose, except as required by law, any information regarding a candidate's or committee's plans, projects, activities, or needs, or regarding a candidate's or committee's contributions or expenditures that is not already publicly available from campaign reports filed with the commission, or otherwise engage in activity that constitutes a contribution under (a)(ii) of this subsection.

A person who performs ministerial functions under this subsection  $((\frac{13}{13}))$  (14) (b) (ix) is not considered an agent of the candidate or committee as long as he or she has no authority to authorize expenditures or make decisions on behalf of the candidate or committee.

- (c) Contributions other than money or its equivalent are deemed to have a monetary value equivalent to the fair market value of the contribution. Services or property or rights furnished at less than their fair market value for the purpose of assisting any candidate or political committee are deemed a contribution. Such a contribution must be reported as an in-kind contribution at its fair market value and counts towards any applicable contribution limit of the provider.
- $((\frac{14}{14}))$  (15) "Depository" means a bank, mutual savings bank, savings and loan association, or credit union doing business in this state.

p. 5 SB 5865

 $((\frac{15}{15}))$  (16) "Elected official" means any person elected at a general or special election to any public office, and any person appointed to fill a vacancy in any such office.

 $((\frac{16}{16}))$  (17) "Election" includes any primary, general, or special election for public office and any election in which a ballot proposition is submitted to the voters. An election in which the qualifications for voting include other than those requirements set forth in Article VI, section 1 (Amendment 63) of the Constitution of the state of Washington shall not be considered an election for purposes of this chapter.

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

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

- $((\frac{(19)}{(19)}))$   $\underline{(20)}(a)$  "Electioneering communication" means any broadcast, cable, or satellite television or radio transmission, United States postal service mailing, billboard, newspaper, or periodical that:
  - (i) Clearly identifies a candidate for a state, local, or judicial office either by specifically naming the candidate, or identifying the candidate without using the candidate's name;
  - (ii) Is broadcast, transmitted, mailed, erected, distributed, or otherwise published within sixty days before any election for that office in the jurisdiction in which the candidate is seeking election; and
  - (iii) Either alone, or in combination with one or more communications identifying the candidate by the same sponsor during the sixty days before an election, has a fair market value of one thousand dollars or more.
    - (b) "Electioneering communication" does not include:
- (i) Usual and customary advertising of a business owned by a 39 candidate, even if the candidate is mentioned in the advertising when 40 the candidate has been regularly mentioned in that advertising

p. 6 SB 5865

- 1 appearing at least twelve months preceding his or her becoming a 2 candidate;
  - (ii) Advertising for candidate debates or forums when the advertising is paid for by or on behalf of the debate or forum sponsor, so long as two or more candidates for the same position have been invited to participate in the debate or forum;
- 7 (iii) A news item, feature, commentary, or editorial in a 8 regularly scheduled news medium that is:
  - (A) Of primary interest to the general public;
- 10 (B) In a news medium controlled by a person whose business is 11 that news medium; and
- 12 (C) Not a medium controlled by a candidate or a political 13 committee;
  - (iv) Slate cards and sample ballots;

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- (v) Advertising for books, films, dissertations, or similar works
   (A) written by a candidate when the candidate entered into a contract for such publications or media at least twelve months before becoming a candidate, or (B) written about a candidate;
  - (vi) Public service announcements;
- (vii) A mailed internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization;
  - (viii) An expenditure by or contribution to the authorized committee of a candidate for state, local, or judicial office; or
- 27 (ix) Any other communication exempted by the commission through 28 rule consistent with the intent of this chapter.
  - ((\(\frac{20}{}\))) (21) "Expenditure" includes a payment, contribution, subscription, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure. "Expenditure" also includes a promise to pay, a payment, or a transfer of anything of value in exchange for goods, services, property, facilities, or anything of value for the purpose of assisting, benefiting, or honoring any public official or candidate, or assisting in furthering or opposing any election campaign. For the purposes of this chapter, agreements to make expenditures, contracts, and promises to pay may be reported as estimated obligations until actual payment is made. "Expenditure" shall not include the partial

p. 7 SB 5865

or complete repayment by a candidate or political committee of the principal of a loan, the receipt of which loan has been properly reported.

 $((\frac{(21)}{21}))$  "Final report" means the report described as a final report in RCW 42.17A.235(2).

  $((\frac{(22)}{)})$  "General election" for the purposes of RCW 42.17A.405 means the election that results in the election of a person to a state or local office. It does not include a primary.

 $((\frac{(23)}{23}))$  (24) "Gift" has the definition in RCW 42.52.010.

((\(\frac{(24\)}{25}\))) (\(\frac{25}{25}\)] "Immediate family" includes the spouse or domestic partner, dependent children, and other dependent relatives, if living in the household. For the purposes of the definition of "intermediary" in this section, "immediate family" means an individual's spouse or domestic partner, and child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, sister, or half sister of the individual and the spouse or the domestic partner of any such person and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half brother, sister, or half sister of the individual's spouse or domestic partner and the spouse or the domestic partner of any such person.

 $((\frac{25}{}))$   $\underline{(26)}$  "Incumbent" means a person who is in present 22 possession of an elected office.

 $((\frac{26}{1}))$  "Independent expenditure" means an expenditure that 24 has each of the following elements:

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

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

p. 8 SB 5865

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

- $((\frac{27}{1}))$  (28)(a) "Intermediary" means an individual who transmits a contribution to a candidate or committee from another person unless the contribution is from the individual's employer, immediate family, or an association to which the individual belongs.
- (b) A treasurer or a candidate is not an intermediary for purposes of the committee that the treasurer or candidate serves.
- (c) A professional fund-raiser is not an intermediary if the fund-raiser is compensated for fund-raising services at the usual and customary rate.
- 16 (d) A volunteer hosting a fund-raising event at the individual's
  17 home is not an intermediary for purposes of that event.
  - ((<del>(28)</del>)) <u>(29)</u> "Legislation" means bills, resolutions, motions, amendments, nominations, and other matters pending or proposed in either house of the state legislature, and includes any other matter that may be the subject of action by either house or any committee of the legislature and all bills and resolutions that, having passed both houses, are pending approval by the governor.
- $((\frac{(29)}{(29)}))$  (30) "Legislative office" means the office of a member of the state house of representatives or the office of a member of the state senate.
  - ((\(\frac{(30)}{)}\)) (31) "Lobby" and "lobbying" each mean attempting to influence the passage or defeat of any legislation by the legislature of the state of Washington, or the adoption or rejection of any rule, standard, rate, or other legislative enactment of any state agency under the state administrative procedure act, chapter 34.05 RCW. Neither "lobby" nor "lobbying" includes an association's or other organization's act of communicating with the members of that association or organization.
- (((31))) (32) "Lobbyist" includes any person who lobbies either in his or her own or another's behalf.
- $((\frac{32}{3}))$  (33) "Lobbyist's employer" means the person or persons by whom a lobbyist is employed and all persons by whom he or she is compensated for acting as a lobbyist.

p. 9 SB 5865

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

- $((\frac{34}{1}))$  <u>(35)</u> "Participate" means that, with respect to a particular election, an entity:
- 6 (a) Makes either a monetary or in-kind contribution to a 7 candidate;
  - (b) Makes an independent expenditure or electioneering communication in support of or opposition to a candidate;
  - (c) Endorses a candidate before contributions are made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent;
    - (d) Makes a recommendation regarding whether a candidate should be supported or opposed before a contribution is made by a subsidiary corporation or local unit with respect to that candidate or that candidate's opponent; or
    - (e) Directly or indirectly collaborates or consults with a subsidiary corporation or local unit on matters relating to the support of or opposition to a candidate, including, but not limited to, the amount of a contribution, when a contribution should be given, and what assistance, services or independent expenditures, or electioneering communications, if any, will be made or should be made in support of or opposition to a candidate.
    - ((<del>(35)</del>)) <u>(36)</u> "Person" includes an individual, partnership, joint venture, public or private corporation, association, federal, state, or local governmental entity or agency however constituted, candidate, committee, political committee, political party, executive committee thereof, or any other organization or group of persons, however organized.
    - $((\frac{36}{)})$  (37) "Political advertising" includes any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support or opposition in any election campaign.
- (((37))) (38) "Political committee" means any person (except a candidate or an individual dealing with his or her own funds or property) having the expectation of receiving contributions or making expenditures in support of, or opposition to, any candidate or any ballot proposition.

p. 10 SB 5865

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

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- 9  $((\frac{40}{10}))$  <u>(41)</u> "Public record" has the definition in RCW 10 42.56.010.
- 11  $((\frac{41}{1}))$   $\underline{42}$  "Recall campaign" means the period of time 12 beginning on the date of the filing of recall charges under RCW 13 29A.56.120 and ending thirty days after the recall election.
- $((\frac{42}{1}))$   $(\frac{43}{1})$  "Sponsor" for purposes of an electioneering communications, independent expenditures, or political advertising means the person paying for the electioneering communication, independent expenditure, or political advertising. If a person acts as an agent for another or is reimbursed by another for the payment, the original source of the payment is the sponsor.
- 20 (b) "Sponsor," for purposes of a political committee, means any 21 person, except an authorized committee, to whom any of the following 22 applies:
- (i) The committee receives eighty percent or more of its contributions either from the person or from the person's members, officers, employees, or shareholders;
- (ii) The person collects contributions for the committee by use of payroll deductions or dues from its members, officers, or employees.
- 29 (((43))) (44) "Sponsored committee" means a committee, other than 30 an authorized committee, that has one or more sponsors.
- ((44+)) (45) "State office" means state legislative office or the office of governor, lieutenant governor, secretary of state, attorney general, commissioner of public lands, insurance commissioner, superintendent of public instruction, state auditor, or state treasurer.
- 36 (((45))) (46) "State official" means a person who holds a state 37 office.
- (((46+))) (47) "Surplus funds" mean, in the case of a political committee or candidate, the balance of contributions that remain in the possession or control of that committee or candidate subsequent

p. 11 SB 5865

to the election for which the contributions were received, and that are in excess of the amount necessary to pay remaining debts incurred by the committee or candidate with respect to that election. In the case of a continuing political committee, "surplus funds" mean those contributions remaining in the possession or control of the committee

that are in excess of the amount necessary to pay all remaining debts

- 7 when it makes its final report under RCW 42.17A.255. 8 ((47)) (48) "Treasurer" and "deputy treasurer" mean the 9 individuals appointed by a candidate or political committee, pursuant 10 to RCW 42.17A.210, to perform the duties specified in that section.
- 11 **Sec. 2.** RCW 42.17A.405 and 2013 c 311 s 1 are each amended to 12 read as follows:
  - (1) The contribution limits in this section apply to:
  - (a) Candidates for legislative office;
    - (b) Candidates for state office other than legislative office;
  - (c) Candidates for county office;

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- (d) Candidates for special purpose district office if that district is authorized to provide freight and passenger transfer and terminal facilities and that district has over two hundred thousand registered voters;
  - (e) Candidates for city council office;
- 22 (f) Candidates for mayoral office;
  - (g) Candidates for school board office;
  - (h) Candidates for public hospital district board of commissioners in districts with a population over one hundred fifty thousand;
    - (i) Persons holding an office in (a) through (h) of this subsection against whom recall charges have been filed or to a political committee having the expectation of making expenditures in support of the recall of a person holding the office;
      - (j) Caucus political committees;
    - (k) Bona fide political parties.
- 33 (2) No person, other than a bona fide political party or a caucus 34 political committee, may make contributions to a candidate for a 35 legislative office, county office, city council office, mayoral 36 office, school board office, or public hospital district board of 37 commissioners that in the aggregate exceed eight hundred dollars or 38 to a candidate for a public office in a special purpose district or a 39 state office other than a legislative office that in the aggregate

p. 12 SB 5865

exceed one thousand six hundred dollars for each election in which the candidate is on the ballot or appears as a write-in candidate. Contributions to candidates subject to the limits in this section made with respect to a primary may not be made after the date of the primary. However, contributions to a candidate or a candidate's authorized committee may be made with respect to a primary until thirty days after the primary, subject to the following limitations: (a) The candidate lost the primary; (b) the candidate's authorized committee has insufficient funds to pay debts outstanding as of the date of the primary; and (c) the contributions may only be raised and spent to satisfy the outstanding debt. Contributions to candidates subject to the limits in this section made with respect to a general election may not be made after the final day of the applicable election cycle.

- (3) No person, other than a bona fide political party or a caucus political committee, may make contributions to a state official, a county official, a city official, a school board member, a public hospital district commissioner, or a public official in a special purpose district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the state official, county official, city official, school board member, public hospital district commissioner, or public official in a special purpose district during a recall campaign that in the aggregate exceed eight hundred dollars if for a legislative office, county office, school board office, public hospital district office, or city office, or one thousand six hundred dollars if for a special purpose district office or a state office other than a legislative office.
- (4)(a) Notwithstanding subsection (2) of this section, no bona fide political party or caucus political committee may make contributions to a candidate during an election cycle that in the aggregate exceed (i) eighty cents multiplied by the number of eligible registered voters in the jurisdiction from which the candidate is elected if the contributor is a caucus political committee or the governing body of a state organization, or (ii) forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No candidate may accept contributions from a county central committee or a legislative district committee during an election

p. 13 SB 5865

cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate exceed forty cents times the number of registered voters in the jurisdiction from which the candidate is elected.

- (5)(a) Notwithstanding subsection (3) of this section, no bona fide political party or caucus political committee may contributions to a state official, county official, city official, school board member, public hospital district commissioner, or a public official in a special purpose district against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the state official, county official, city official, school board member, public hospital district commissioner, or a public official in a special purpose district during a recall campaign that in the aggregate exceed (i) eighty cents multiplied by the number of eligible registered voters in the jurisdiction entitled to recall the state official if the contributor is a caucus political committee or the governing body of a state organization, or (ii) forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected if the contributor is a county central committee or a legislative district committee.
- (b) No official holding an office specified in subsection (1) of this section against whom recall charges have been filed, no authorized committee of the official, and no political committee having the expectation of making expenditures in support of the recall of the official may accept contributions from a county central committee or a legislative district committee during an election cycle that when combined with contributions from other county central committees or legislative district committees would in the aggregate exceed forty cents multiplied by the number of registered voters in the jurisdiction from which the candidate is elected.
- (6) For purposes of determining contribution limits under subsections (4) and (5) of this section, the number of eligible registered voters in a jurisdiction is the number at the time of the most recent general election in the jurisdiction.
- (7) Notwithstanding subsections (2) through (5) of this section, no person other than an individual, bona fide political party, or caucus political committee may make contributions reportable under this chapter to a caucus political committee that in the aggregate exceed eight hundred dollars in a calendar year or to a bona fide

p. 14 SB 5865

political party that in the aggregate exceed four thousand dollars in a calendar year. This subsection does not apply to loans made in the ordinary course of business.

- (8) For the purposes of RCW 42.17A.125, 42.17A.405 through 42.17A.415, 42.17A.450 through 42.17A.495, 42.17A.500, 42.17A.560, and 42.17A.565, a contribution to the authorized political committee of a candidate or of an official specified in subsection (1) of this section against whom recall charges have been filed is considered to be a contribution to the candidate or official.
- (9) A contribution received within the twelve-month period after a recall election concerning an office specified in subsection (1) of this section is considered to be a contribution during that recall campaign if the contribution is used to pay a debt or obligation incurred to influence the outcome of that recall campaign.
- (10) The contributions allowed by subsection (3) of this section are in addition to those allowed by subsection (2) of this section, and the contributions allowed by subsection (5) of this section are in addition to those allowed by subsection (4) of this section.
- (11) RCW 42.17A.125, 42.17A.405 through 42.17A.415, 42.17A.450 through 42.17A.495, 42.17A.500, 42.17A.560, and 42.17A.565 apply to a special election conducted to fill a vacancy in an office specified in subsection (1) of this section. However, the contributions made to a candidate or received by a candidate for a primary or special election conducted to fill such a vacancy shall not be counted toward any of the limitations that apply to the candidate or to contributions made to the candidate for any other primary or election.
- (12) Notwithstanding the other subsections of this section, no corporation or business entity not doing business in Washington state, no labor union with fewer than ten members who reside in Washington state, and no political committee that has not received contributions of ten dollars or more from at least ten persons registered to vote in Washington state during the preceding one hundred eighty days may make contributions reportable under this chapter to a state office candidate, to a state official against whom recall charges have been filed, or to a political committee having the expectation of making expenditures in support of the recall of the official. This subsection does not apply to loans made in the ordinary course of business.

p. 15 SB 5865

(13) Notwithstanding the other subsections of this section, no county central committee or legislative district committee may make contributions reportable under this chapter to a candidate specified in subsection (1) of this section, or an official specified in subsection (1) of this section against whom recall charges have been filed, or political committee having the expectation of making expenditures in support of the recall of an official specified in subsection (1) of this section if the county central committee or legislative district committee is outside of the jurisdiction entitled to elect the candidate or recall the official.

- (14) Notwithstanding the other provisions of this section, no person that engages in collective bargaining on behalf of its membership with any local agency may make contributions reportable under this chapter to any candidate for the governing body of that local agency, directly or indirectly.
- (15) Notwithstanding the other provisions of this section, no person who currently holds, has held, or is bidding or competing for a contract of at least one million dollars with the state, a state office, or a state agency at any time since the previous gubernatorial election may make contributions reportable under this chapter to any candidate for a state office with which the person has contracted or that has supervisory authority over a state agency with which the person has contracted, directly or indirectly.
- (16) Notwithstanding the other provisions of this section, no person who currently holds, has held, or is bidding or competing for a contract of at least one million dollars with the state senate or house of representatives at any time since the previous gubernatorial election may make contributions reportable under this chapter to any candidate for legislative office, directly or indirectly.
- (17) Notwithstanding the other provisions of this section, no person receiving a notice from the department of revenue under section 3 of this act at any time since the previous gubernatorial election may make contributions reportable under this chapter to any candidate for state or legislative office, directly or indirectly.
- (18) No person may accept contributions that exceed the contribution limitations provided in this section.
- $((\frac{15}{15}))$  (19) The following contributions are exempt from the contribution limits of this section:
  - (a) An expenditure or contribution earmarked for voter registration, for absentee ballot information, for precinct caucuses,

p. 16 SB 5865

- for get-out-the-vote campaigns, for precinct judges or inspectors, for sample ballots, or for ballot counting, all without promotion of or political advertising for individual candidates;
- 4 (b) An expenditure by a political committee for its own internal organization or fund-raising without direct association with individual candidates; or
- 7 (c) An expenditure or contribution for independent expenditures 8 as defined in RCW 42.17A.005 or electioneering communications as 9 defined in RCW 42.17A.005.
- NEW SECTION. Sec. 3. A new section is added to chapter 82.32 RCW to read as follows:
- The department must notify each person that claims an individual tax preference of at least fifty thousand dollars and that is one of ten or fewer filers claiming such tax preference in that year of that status to facilitate compliance with RCW 42.17A.405(17). The notice must inform the taxpayer that it is prohibited from making contributions to any candidate for state or legislative office until after the next gubernatorial election.
- NEW SECTION. Sec. 4. The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation.

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p. 17 SB 5865