
HOUSE BILL 2942

State of Washington

66th Legislature

2020 Regular Session

By Representatives Pellicciotti, Macri, and Pollet

Read first time 02/17/20. Referred to Committee on State Government & Tribal Relations.

1 AN ACT Relating to certification concerning the level of foreign
2 national ownership and control of entities that participate in
3 Washington state elections; amending RCW 42.17A.005, 42.17A.240,
4 42.17A.250, and 42.17A.255; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that upholding the
7 First Amendment rights of freedom of speech and free association, as
8 they relate to participating in elections, are core values in the
9 United States. The United States supreme court has repeatedly held
10 that these rights include the right to make campaign contributions in
11 support of candidates and ballot measures at the federal, state, and
12 local levels.

13 The legislature also finds, in accordance with federal law, that
14 these rights are reserved solely for citizens of the United States,
15 whether they act as individuals or in association. The First
16 Amendment protection does not apply to foreign nationals, who are
17 forbidden under 52 U.S.C. Sec. 30121 from directly or indirectly
18 making political contributions or financing so-called independent
19 expenditures and electioneering communications, either individually
20 or collectively through a corporation or other association.
21 Furthermore, federal law prohibits any person from knowingly

1 soliciting or receiving contributions from a foreign national.
2 Therefore, it falls to individual states to help protect the
3 prohibition on foreign influence in our state and local elections by
4 requiring that corporations that make political contributions must
5 certify that they are not owned or controlled by foreign nationals.
6 While the percentage of ownership or control does not represent the
7 full extent of possible foreign influence, it does provide a clear
8 standard in assisting candidates and political committees in
9 identifying foreign influence.

10 **Sec. 2.** RCW 42.17A.005 and 2019 c 428 s 3 are each amended to
11 read as follows:

12 The definitions in this section apply throughout this chapter
13 unless the context clearly requires otherwise.

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

16 (2) "Agency" includes all state agencies and all local agencies.
17 "State agency" includes every state office, department, division,
18 bureau, board, commission, or other state agency. "Local agency"
19 includes every county, city, town, municipal corporation, quasi-
20 municipal corporation, or special purpose district, or any office,
21 department, division, bureau, board, commission, or agency thereof,
22 or other local public agency.

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

27 (4) "Ballot proposition" means any "measure" as defined by RCW
28 29A.04.091, or any initiative, recall, or referendum proposition
29 proposed to be submitted to the voters of the state or any municipal
30 corporation, political subdivision, or other voting constituency from
31 and after the time when the proposition has been initially filed with
32 the appropriate election officer of that constituency before its
33 circulation for signatures.

34 (5) "Benefit" means a commercial, proprietary, financial,
35 economic, or monetary advantage, or the avoidance of a commercial,
36 proprietary, financial, economic, or monetary disadvantage.

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

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

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

5 (c) The county central committee or legislative district
6 committee of a major political party. There may be only one
7 legislative district committee for each party in each legislative
8 district.

9 (7) "Books of account" means:

10 (a) In the case of a campaign or political committee, a ledger or
11 similar listing of contributions, expenditures, and debts, such as a
12 campaign or committee is required to file regularly with the
13 commission, current as of the most recent business day; or

14 (b) In the case of a commercial advertiser, details of political
15 advertising or electioneering communications provided by the
16 advertiser, including the names and addresses of persons from whom it
17 accepted political advertising or electioneering communications, the
18 exact nature and extent of the services rendered and the total cost
19 and the manner of payment for the services.

20 (8) "Candidate" means any individual who seeks nomination for
21 election or election to public office. An individual seeks nomination
22 or election when the individual first:

23 (a) Receives contributions or makes expenditures or reserves
24 space or facilities with intent to promote the individual's candidacy
25 for office;

26 (b) Announces publicly or files for office;

27 (c) Purchases commercial advertising space or broadcast time to
28 promote the individual's candidacy; or

29 (d) Gives consent to another person to take on behalf of the
30 individual any of the actions in (a) or (c) of this subsection.

31 (9) "Caucus political committee" means a political committee
32 organized and maintained by the members of a major political party in
33 the state senate or state house of representatives.

34 (10) "Commercial advertiser" means any person that sells the
35 service of communicating messages or producing material for broadcast
36 or distribution to the general public or segments of the general
37 public whether through brochures, fliers, newspapers, magazines,
38 television, radio, billboards, direct mail advertising, printing,
39 paid internet or digital communications, or any other means of mass
40 communications used for the purpose of appealing, directly or

1 indirectly, for votes or for financial or other support in any
2 election campaign.

3 (11) "Commission" means the agency established under RCW
4 42.17A.100.

5 (12) "Committee" unless the context indicates otherwise, includes
6 a political committee such as a candidate, ballot proposition,
7 recall, political, or continuing political committee.

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

15 (14) "Continuing political committee" means a political committee
16 that is an organization of continuing existence not limited to
17 participation in any particular election campaign or election cycle.

18 (15)(a) "Contribution" includes:

19 (i) A loan, gift, deposit, subscription, forgiveness of
20 indebtedness, donation, advance, pledge, payment, transfer of funds,
21 or anything of value, including personal and professional services
22 for less than full consideration;

23 (ii) An expenditure made by a person in cooperation,
24 consultation, or concert with, or at the request or suggestion of, a
25 candidate, a political or incidental committee, the person or persons
26 named on the candidate's or committee's registration form who direct
27 expenditures on behalf of the candidate or committee, or their
28 agents;

29 (iii) The financing by a person of the dissemination,
30 distribution, or republication, in whole or in part, of broadcast,
31 written, graphic, digital, or other form of political advertising or
32 electioneering communication prepared by a candidate, a political or
33 incidental committee, or its authorized agent;

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

37 (b) "Contribution" does not include:

38 (i) Accrued interest on money deposited in a political or
39 incidental committee's account;

40 (ii) Ordinary home hospitality;

1 (iii) A contribution received by a candidate or political or
2 incidental committee that is returned to the contributor within ten
3 business days of the date on which it is received by the candidate or
4 political or incidental committee;

5 (iv) A news item, feature, commentary, or editorial in a
6 regularly scheduled news medium that is of interest to the public,
7 that is in a news medium controlled by a person whose business is
8 that news medium, and that is not controlled by a candidate or a
9 political or incidental committee;

10 (v) An internal political communication primarily limited to the
11 members of or contributors to a political party organization or
12 political or incidental committee, or to the officers, management
13 staff, or stockholders of a corporation or similar enterprise, or to
14 the members of a labor organization or other membership organization;

15 (vi) The rendering of personal services of the sort commonly
16 performed by volunteer campaign workers, or incidental expenses
17 personally incurred by volunteer campaign workers not in excess of
18 fifty dollars personally paid for by the worker. "Volunteer
19 services," for the purposes of this subsection, means services or
20 labor for which the individual is not compensated by any person;

21 (vii) Messages in the form of reader boards, banners, or yard or
22 window signs displayed on a person's own property or property
23 occupied by a person. However, a facility used for such political
24 advertising for which a rental charge is normally made must be
25 reported as an in-kind contribution and counts toward any applicable
26 contribution limit of the person providing the facility;

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

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

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

35 (ix) The performance of ministerial functions by a person on
36 behalf of two or more candidates or political or incidental
37 committees either as volunteer services defined in (b)(vi) of this
38 subsection or for payment by the candidate or political or incidental
39 committee for whom the services are performed as long as:

40 (A) The person performs solely ministerial functions;

1 (B) A person who is paid by two or more candidates or political
2 or incidental committees is identified by the candidates and
3 political committees on whose behalf services are performed as part
4 of their respective statements of organization under RCW 42.17A.205;
5 and

6 (C) The person does not disclose, except as required by law, any
7 information regarding a candidate's or committee's plans, projects,
8 activities, or needs, or regarding a candidate's or committee's
9 contributions or expenditures that is not already publicly available
10 from campaign reports filed with the commission, or otherwise engage
11 in activity that constitutes a contribution under (a)(ii) of this
12 subsection.

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

17 (c) Contributions other than money or its equivalent are deemed
18 to have a monetary value equivalent to the fair market value of the
19 contribution. Services or property or rights furnished at less than
20 their fair market value for the purpose of assisting any candidate or
21 political committee are deemed a contribution. Such a contribution
22 must be reported as an in-kind contribution at its fair market value
23 and counts towards any applicable contribution limit of the provider.

24 (16) "Depository" means a bank, mutual savings bank, savings and
25 loan association, or credit union doing business in this state.

26 (17) "Elected official" means any person elected at a general or
27 special election to any public office, and any person appointed to
28 fill a vacancy in any such office.

29 (18) "Election" includes any primary, general, or special
30 election for public office and any election in which a ballot
31 proposition is submitted to the voters. An election in which the
32 qualifications for voting include other than those requirements set
33 forth in Article VI, section 1 (Amendment 63) of the Constitution of
34 the state of Washington shall not be considered an election for
35 purposes of this chapter.

36 (19) "Election campaign" means any campaign in support of or in
37 opposition to a candidate for election to public office and any
38 campaign in support of, or in opposition to, a ballot proposition.

39 (20) "Election cycle" means the period beginning on the first day
40 of January after the date of the last previous general election for

1 the office that the candidate seeks and ending on December 31st after
2 the next election for the office. In the case of a special election
3 to fill a vacancy in an office, "election cycle" means the period
4 beginning on the day the vacancy occurs and ending on December 31st
5 after the special election.

6 (21)(a) "Electioneering communication" means any broadcast,
7 cable, or satellite television, radio transmission, digital
8 communication, United States postal service mailing, billboard,
9 newspaper, or periodical that:

10 (i) Clearly identifies a candidate for a state, local, or
11 judicial office either by specifically naming the candidate, or
12 identifying the candidate without using the candidate's name;

13 (ii) Is broadcast, transmitted electronically or by other means,
14 mailed, erected, distributed, or otherwise published within sixty
15 days before any election for that office in the jurisdiction in which
16 the candidate is seeking election; and

17 (iii) Either alone, or in combination with one or more
18 communications identifying the candidate by the same sponsor during
19 the sixty days before an election, has a fair market value or cost of
20 one thousand dollars or more.

21 (b) "Electioneering communication" does not include:

22 (i) Usual and customary advertising of a business owned by a
23 candidate, even if the candidate is mentioned in the advertising when
24 the candidate has been regularly mentioned in that advertising
25 appearing at least twelve months preceding the candidate becoming a
26 candidate;

27 (ii) Advertising for candidate debates or forums when the
28 advertising is paid for by or on behalf of the debate or forum
29 sponsor, so long as two or more candidates for the same position have
30 been invited to participate in the debate or forum;

31 (iii) A news item, feature, commentary, or editorial in a
32 regularly scheduled news medium that is:

33 (A) Of interest to the public;

34 (B) In a news medium controlled by a person whose business is
35 that news medium; and

36 (C) Not a medium controlled by a candidate or a political or
37 incidental committee;

38 (iv) Slate cards and sample ballots;

39 (v) Advertising for books, films, dissertations, or similar works

40 (A) written by a candidate when the candidate entered into a contract

1 for such publications or media at least twelve months before becoming
2 a candidate, or (B) written about a candidate;

3 (vi) Public service announcements;

4 (vii) An internal political communication primarily limited to
5 the members of or contributors to a political party organization or
6 political or incidental committee, or to the officers, management
7 staff, or stockholders of a corporation or similar enterprise, or to
8 the members of a labor organization or other membership organization;

9 (viii) An expenditure by or contribution to the authorized
10 committee of a candidate for state, local, or judicial office; or

11 (ix) Any other communication exempted by the commission through
12 rule consistent with the intent of this chapter.

13 (22) "Expenditure" includes a payment, contribution,
14 subscription, distribution, loan, advance, deposit, or gift of money
15 or anything of value, and includes a contract, promise, or agreement,
16 whether or not legally enforceable, to make an expenditure.
17 "Expenditure" also includes a promise to pay, a payment, or a
18 transfer of anything of value in exchange for goods, services,
19 property, facilities, or anything of value for the purpose of
20 assisting, benefiting, or honoring any public official or candidate,
21 or assisting in furthering or opposing any election campaign. For the
22 purposes of this chapter, agreements to make expenditures, contracts,
23 and promises to pay may be reported as estimated obligations until
24 actual payment is made. "Expenditure" shall not include the partial
25 or complete repayment by a candidate or political or incidental
26 committee of the principal of a loan, the receipt of which loan has
27 been properly reported.

28 (23) "Final report" means the report described as a final report
29 in RCW 42.17A.235(11)(a).

30 (24) "Foreign national" includes:

31 (a) An individual who is not a citizen of the United States and
32 who is not lawfully admitted for permanent residence;

33 (b) A government, or subdivision, of a foreign country;

34 (c) A foreign political party; and

35 (d) Any entity, such as a partnership, limited liability
36 corporation, or professional limited liability corporation; an
37 association, corporation, organization, or other similar entity; or a
38 combination of persons, organized under the laws of, or having its
39 principal place of business in, a foreign country.

1 (25) "General election" for the purposes of RCW 42.17A.405 means
2 the election that results in the election of a person to a state or
3 local office. It does not include a primary.

4 ~~((25))~~ (26) "Gift" has the definition in RCW 42.52.010.

5 ~~((26))~~ (27) "Immediate family" includes the spouse or domestic
6 partner, dependent children, and other dependent relatives, if living
7 in the household. For the purposes of the definition of
8 "intermediary" in this section, "immediate family" means an
9 individual's spouse or domestic partner, and child, stepchild,
10 grandchild, parent, stepparent, grandparent, brother, half brother,
11 sister, or half sister of the individual and the spouse or the
12 domestic partner of any such person and a child, stepchild,
13 grandchild, parent, stepparent, grandparent, brother, half brother,
14 sister, or half sister of the individual's spouse or domestic partner
15 and the spouse or the domestic partner of any such person.

16 ~~((27))~~ (28) "Incidental committee" means any nonprofit
17 organization not otherwise defined as a political committee but that
18 may incidentally make a contribution or an expenditure in excess of
19 the reporting thresholds in RCW 42.17A.235, directly or through a
20 political committee. Any nonprofit organization is not an incidental
21 committee if it is only remitting payments through the nonprofit
22 organization in an aggregated form and the nonprofit organization is
23 not required to report those payments in accordance with this
24 chapter.

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

27 ~~((29))~~ (30)(a) "Independent expenditure" means an expenditure
28 that has each of the following elements:

29 (i) It is made in support of or in opposition to a candidate for
30 office by a person who is not:

31 (A) A candidate for that office;

32 (B) An authorized committee of that candidate for that office;

33 and

34 (C) A person who has received the candidate's encouragement or
35 approval to make the expenditure, if the expenditure pays in whole or
36 in part for political advertising supporting that candidate or
37 promoting the defeat of any other candidate or candidates for that
38 office;

39 (ii) It is made in support of or in opposition to a candidate for
40 office by a person with whom the candidate has not collaborated for

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

5 (iii) 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 (iv) 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 one thousand dollars or
12 more. A series of expenditures, each of which is under one thousand
13 dollars, constitutes one independent expenditure if their cumulative
14 value is one thousand dollars or more.

15 (b) "Independent expenditure" does not include: Ordinary home
16 hospitality; communications with journalists or editorial staff
17 designed to elicit a news item, feature, commentary, or editorial in
18 a regularly scheduled news medium that is of primary interest to the
19 general public, controlled by a person whose business is that news
20 medium, and not controlled by a candidate or a political committee;
21 participation in the creation of a publicly funded voters pamphlet
22 statement in written or video form; an internal political
23 communication primarily limited to contributors to a political party
24 organization or political action committee, the officers, management
25 staff, and stockholders of a corporation or similar enterprise, or
26 the members of a labor organization or other membership organization;
27 or the rendering of personal services of the sort commonly performed
28 by volunteer campaign workers or incidental expenses personally
29 incurred by volunteer campaign workers not in excess of two hundred
30 fifty dollars personally paid for by the worker.

31 (~~(+30+)~~) (31) (a) "Intermediary" means an individual who transmits
32 a contribution to a candidate or committee from another person unless
33 the contribution is from the individual's employer, immediate family,
34 or an association to which the individual belongs.

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

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

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

3 ~~((31))~~ (32) "Legislation" means bills, resolutions, motions,
4 amendments, nominations, and other matters pending or proposed in
5 either house of the state legislature, and includes any other matter
6 that may be the subject of action by either house or any committee of
7 the legislature and all bills and resolutions that, having passed
8 both houses, are pending approval by the governor.

9 ~~((32))~~ (33) "Legislative office" means the office of a member
10 of the state house of representatives or the office of a member of
11 the state senate.

12 ~~((33))~~ (34) "Lobby" and "lobbying" each mean attempting to
13 influence the passage or defeat of any legislation by the legislature
14 of the state of Washington, or the adoption or rejection of any rule,
15 standard, rate, or other legislative enactment of any state agency
16 under the state administrative procedure act, chapter 34.05 RCW.
17 Neither "lobby" nor "lobbying" includes an association's or other
18 organization's act of communicating with the members of that
19 association or organization.

20 ~~((34))~~ (35) "Lobbyist" includes any person who lobbies either
21 on the person's own or another's behalf.

22 ~~((35))~~ (36) "Lobbyist's employer" means the person or persons
23 by whom a lobbyist is employed and all persons by whom the lobbyist
24 is compensated for acting as a lobbyist.

25 ~~((36))~~ (37) "Ministerial functions" means an act or duty
26 carried out as part of the duties of an administrative office without
27 exercise of personal judgment or discretion.

28 ~~((37))~~ (38) "Participate" means that, with respect to a
29 particular election, an entity:

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

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

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

37 (d) Makes a recommendation regarding whether a candidate should
38 be supported or opposed before a contribution is made by a subsidiary
39 corporation or local unit with respect to that candidate or that
40 candidate's opponent; or

1 (e) Directly or indirectly collaborates or consults with a
2 subsidiary corporation or local unit on matters relating to the
3 support of or opposition to a candidate, including, but not limited
4 to, the amount of a contribution, when a contribution should be
5 given, and what assistance, services or independent expenditures, or
6 electioneering communications, if any, will be made or should be made
7 in support of or opposition to a candidate.

8 ~~((38))~~ (39) "Person" includes an individual, partnership, joint
9 venture, public or private corporation, association, federal, state,
10 or local governmental entity or agency however constituted,
11 candidate, committee, political committee, political party, executive
12 committee thereof, or any other organization or group of persons,
13 however organized.

14 ~~((39))~~ (40) "Political advertising" includes any advertising
15 displays, newspaper ads, billboards, signs, brochures, articles,
16 tabloids, flyers, letters, radio or television presentations, digital
17 communication, or other means of mass communication, used for the
18 purpose of appealing, directly or indirectly, for votes or for
19 financial or other support or opposition in any election campaign.

20 ~~((40))~~ (41) "Political committee" means any person (except a
21 candidate or an individual dealing with the candidate's or
22 individual's own funds or property) having the expectation of
23 receiving contributions or making expenditures in support of, or
24 opposition to, any candidate or any ballot proposition.

25 ~~((41))~~ (42) "Primary" for the purposes of RCW 42.17A.405 means
26 the procedure for nominating a candidate to state or local office
27 under chapter 29A.52 RCW or any other primary for an election that
28 uses, in large measure, the procedures established in chapter 29A.52
29 RCW.

30 ~~((42))~~ (43) "Public office" means any federal, state, judicial,
31 county, city, town, school district, port district, special district,
32 or other state political subdivision elective office.

33 ~~((43))~~ (44) "Public record" has the definition in RCW
34 42.56.010.

35 ~~((44))~~ (45) "Recall campaign" means the period of time
36 beginning on the date of the filing of recall charges under RCW
37 29A.56.120 and ending thirty days after the recall election.

38 ~~((45))~~ (46) "Remediable violation" means any violation of this
39 chapter that:

1 (a) Involved expenditures or contributions totaling no more than
2 the contribution limits set out under RCW 42.17A.405(2) per election,
3 or one thousand dollars if there is no statutory limit;

4 (b) Occurred:

5 (i) More than thirty days before an election, where the
6 commission entered into an agreement to resolve the matter; or

7 (ii) At any time where the violation did not constitute a
8 material violation because it was inadvertent and minor or otherwise
9 has been cured and, after consideration of all the circumstances,
10 further proceedings would not serve the purposes of this chapter;

11 (c) Does not materially harm the public interest, beyond the harm
12 to the policy of this chapter inherent in any violation; and

13 (d) Involved:

14 (i) A person who:

15 (A) Took corrective action within five business days after the
16 commission first notified the person of noncompliance, or where the
17 commission did not provide notice and filed a required report within
18 twenty-one days after the report was due to be filed; and

19 (B) Substantially met the filing deadline for all other required
20 reports within the immediately preceding twelve-month period; or

21 (ii) A candidate who:

22 (A) Lost the election in question; and

23 (B) Did not receive contributions over one hundred times the
24 contribution limit in aggregate per election during the campaign in
25 question.

26 (~~((46))~~) (47)(a) "Sponsor" for purposes of an electioneering
27 communications, independent expenditures, or political advertising
28 means the person paying for the electioneering communication,
29 independent expenditure, or political advertising. If a person acts
30 as an agent for another or is reimbursed by another for the payment,
31 the original source of the payment is the sponsor.

32 (b) "Sponsor," for purposes of a political or incidental
33 committee, means any person, except an authorized committee, to whom
34 any of the following applies:

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

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

1 (~~(47)~~) (48) "Sponsored committee" means a committee, other than
2 an authorized committee, that has one or more sponsors.

3 (~~(48)~~) (49) "State office" means state legislative office or
4 the office of governor, lieutenant governor, secretary of state,
5 attorney general, commissioner of public lands, insurance
6 commissioner, superintendent of public instruction, state auditor, or
7 state treasurer.

8 (~~(49)~~) (50) "State official" means a person who holds a state
9 office.

10 (~~(50)~~) (51) "Surplus funds" mean, in the case of a political
11 committee or candidate, the balance of contributions that remain in
12 the possession or control of that committee or candidate subsequent
13 to the election for which the contributions were received, and that
14 are in excess of the amount necessary to pay remaining debts or
15 expenses incurred by the committee or candidate with respect to that
16 election. In the case of a continuing political committee, "surplus
17 funds" mean those contributions remaining in the possession or
18 control of the committee that are in excess of the amount necessary
19 to pay all remaining debts or expenses when it makes its final report
20 under RCW 42.17A.255.

21 (~~(51)~~) (52) "Technical correction" means the correction of a
22 minor or ministerial error in a required report that does not
23 materially harm the public interest and needs to be corrected for the
24 report to be in full compliance with the requirements of this
25 chapter.

26 (~~(52)~~) (53) "Treasurer" and "deputy treasurer" mean the
27 individuals appointed by a candidate or political or incidental
28 committee, pursuant to RCW 42.17A.210, to perform the duties
29 specified in that section.

30 (~~(53)~~) (54) "Violation" means a violation of this chapter that
31 is not a remediable violation, minor violation, or an error
32 classified by the commission as appropriate to address by a technical
33 correction.

34 **Sec. 3.** RCW 42.17A.240 and 2019 c 428 s 21 are each amended to
35 read as follows:

36 Each report required under RCW 42.17A.235 (1) through (4) must be
37 certified as correct by the treasurer and the candidate and shall
38 disclose the following, except an incidental committee only must

1 disclose and certify as correct the information required under
2 subsections (2) (d), (5), and (~~(6)~~) (7) of this section:

3 (1) The funds on hand at the beginning of the period;

4 (2) The name and address of each person who has made one or more
5 contributions during the period, together with the money value and
6 date of each contribution and the aggregate value of all
7 contributions received from each person during the campaign, or in
8 the case of a continuing political committee, the current calendar
9 year, with the following exceptions:

10 (a) Pledges in the aggregate of less than one hundred dollars
11 from any one person need not be reported;

12 (b) Income that results from a fund-raising activity conducted in
13 accordance with RCW 42.17A.230 may be reported as one lump sum, with
14 the exception of that portion received from persons whose names and
15 addresses are required to be included in the report required by RCW
16 42.17A.230;

17 (c) Contributions of no more than twenty-five dollars in the
18 aggregate from any one person during the election campaign may be
19 reported as one lump sum if the treasurer maintains a separate and
20 private list of the name, address, and amount of each such
21 contributor;

22 (d) Payments received by an incidental committee from any one
23 person need not be reported unless the person is one of the
24 committee's ten largest sources of payments received, including any
25 persons tied as the tenth largest source of payments received, during
26 the current calendar year, and the value of the cumulative payments
27 received from that person during the current calendar year is ten
28 thousand dollars or greater. For payments to incidental committees
29 from multiple persons received in aggregated form, any payment of
30 more than ten thousand dollars from any single person must be
31 reported, but the aggregated payment itself may not be reported. The
32 commission may suspend or modify reporting requirements for payments
33 received by an incidental committee in cases of manifestly
34 unreasonable hardship under this chapter;

35 (e) Payments from private foundations organized under section
36 501(c)(3) of the internal revenue code to an incidental committee do
37 not have to be reported if:

38 (i) The private foundation is contracting with the incidental
39 committee for a specific purpose other than election campaign
40 purposes;

1 (ii) Use of the funds for election campaign purposes is
2 explicitly prohibited by contract; and

3 (iii) Funding from the private foundation represents less than
4 twenty-five percent of the incidental committee's total budget;

5 (f) Commentary or analysis on a ballot proposition by an
6 incidental committee is not considered a contribution if it does not
7 advocate specifically to vote for or against the ballot proposition;
8 and

9 (g) The money value of contributions of postage is the face value
10 of the postage;

11 (3) Each loan, promissory note, or security instrument to be used
12 by or for the benefit of the candidate or political committee made by
13 any person, including the names and addresses of the lender and each
14 person liable directly, indirectly or contingently and the date and
15 amount of each such loan, promissory note, or security instrument;

16 (4) All other contributions not otherwise listed or exempted;

17 (5) A certification from each entity making a contribution to the
18 candidate, political committee, or incidental committee that the
19 entity is not owned or controlled by fifty percent or more foreign
20 nationals;

21 (6) The name and address of each candidate or political committee
22 to which any transfer of funds was made, including the amounts and
23 dates of the transfers;

24 ~~((+6))~~ (7) The name and address of each person to whom an
25 expenditure was made in the aggregate amount of more than fifty
26 dollars during the period covered by this report, the amount, date,
27 and purpose of each expenditure, and the total sum of all
28 expenditures. An incidental committee only must report on
29 expenditures, made and reportable as contributions as defined in RCW
30 42.17A.005, to election campaigns. For purposes of this subsection,
31 commentary or analysis on a ballot proposition by an incidental
32 committee is not considered an expenditure if it does not advocate
33 specifically to vote for or against the ballot proposition;

34 ~~((+7))~~ (8) The name, address, and electronic contact information
35 of each person to whom an expenditure was made for soliciting or
36 procuring signatures on an initiative or referendum petition, the
37 amount of the compensation to each person, and the total expenditures
38 made for this purpose. Such expenditures shall be reported under this
39 subsection in addition to what is required to be reported under
40 subsection ~~((+6))~~ (7) of this section;

1 (~~(8)~~) (9)(a) The name and address of any person and the amount
2 owed for any debt with a value of more than seven hundred fifty
3 dollars that has not been paid for any invoices submitted, goods
4 received, or services performed, within five business days during the
5 period within thirty days before an election, or within ten business
6 days during any other period.

7 (b) For purposes of this subsection, debt does not include
8 regularly recurring expenditures of the same amount that have already
9 been reported at least once and that are not late or outstanding;

10 (~~(9)~~) (10) The surplus or deficit of contributions over
11 expenditures;

12 (~~(10)~~) (11) The disposition made in accordance with RCW
13 42.17A.430 of any surplus funds; and

14 (~~(11)~~) (12) Any other information required by the commission by
15 rule in conformance with the policies and purposes of this chapter.

16 **Sec. 4.** RCW 42.17A.250 and 2010 c 204 s 411 are each amended to
17 read as follows:

18 (1) An out-of-state political committee organized for the purpose
19 of supporting or opposing candidates or ballot propositions in
20 another state that is not otherwise required to report under RCW
21 42.17A.205 through 42.17A.240 shall report as required in this
22 section when it makes an expenditure supporting or opposing a
23 Washington state candidate or political committee. The committee
24 shall file with the commission a statement disclosing:

25 (a) Its name and address;

26 (b) The purposes of the out-of-state committee;

27 (c) The names, addresses, and titles of its officers or, if it
28 has no officers, the names, addresses, and the titles of its
29 responsible leaders;

30 (d) The name, office sought, and party affiliation of each
31 candidate in the state of Washington whom the out-of-state committee
32 is supporting or opposing and, if the committee is supporting or
33 opposing the entire ticket of any party, the name of the party;

34 (e) The ballot proposition supported or opposed in the state of
35 Washington, if any, and whether the committee is in favor of or
36 opposed to that proposition;

37 (f) The name and address of each person residing in the state of
38 Washington or corporation that has a place of business in the state
39 of Washington who has made one or more contributions in the aggregate

1 of more than twenty-five dollars to the out-of-state committee during
2 the current calendar year, together with the money value and date of
3 the contributions;

4 (g) The name, address, and employer of each person or corporation
5 residing outside the state of Washington who has made one or more
6 contributions in the aggregate of more than two thousand five hundred
7 fifty dollars to the out-of-state committee during the current
8 calendar year, together with the money value and date of the
9 contributions. Annually, the commission must modify the two thousand
10 five hundred fifty dollar limit in this subsection based on
11 percentage change in the implicit price deflator for personal
12 consumption expenditures for the United States as published for the
13 most recent twelve-month period by the bureau of economic analysis of
14 the federal department of commerce;

15 (h) The name and address of each person in the state of
16 Washington to whom an expenditure was made by the out-of-state
17 committee with respect to a candidate or political committee in the
18 aggregate amount of more than fifty dollars, the amount, date, and
19 purpose of the expenditure, and the total sum of the expenditures;
20 ((and))

21 (i) A certification from each entity making a contribution
22 reportable under this section to the candidate or political committee
23 that the entity is not owned or controlled by fifty percent or more
24 foreign nationals; and

25 (j) Any other information as the commission may prescribe by rule
26 in keeping with the policies and purposes of this chapter.

27 (2) Each statement shall be filed no later than the tenth day of
28 the month following any month in which a contribution or other
29 expenditure reportable under subsection (1) of this section is made.
30 An out-of-state committee incurring an obligation to file additional
31 statements in a calendar year may satisfy the obligation by timely
32 filing reports that supplement previously filed information.

33 **Sec. 5.** RCW 42.17A.255 and 2019 c 428 s 22 are each amended to
34 read as follows:

35 (1) For the purposes of this section the term "independent
36 expenditure" means any expenditure that is made in support of or in
37 opposition to any candidate or ballot proposition and is not
38 otherwise required to be reported pursuant to RCW 42.17A.225,
39 42.17A.235, and 42.17A.240. "Independent expenditure" does not

1 include: An internal political communication primarily limited to the
2 contributors to a political party organization or political action
3 committee, or the officers, management staff, and stockholders of a
4 corporation or similar enterprise, or the members of a labor
5 organization or other membership organization; or the rendering of
6 personal services of the sort commonly performed by volunteer
7 campaign workers, or incidental expenses personally incurred by
8 volunteer campaign workers not in excess of fifty dollars personally
9 paid for by the worker. "Volunteer services," for the purposes of
10 this section, means services or labor for which the individual is not
11 compensated by any person.

12 (2) Within five days after the date of making an independent
13 expenditure that by itself or when added to all other such
14 independent expenditures made during the same election campaign by
15 the same person equals one hundred dollars or more, or within five
16 days after the date of making an independent expenditure for which no
17 reasonable estimate of monetary value is practicable, whichever
18 occurs first, the person who made the independent expenditure shall
19 file with the commission an initial report of all independent
20 expenditures made during the campaign prior to and including such
21 date.

22 (3) At the following intervals each person who is required to
23 file an initial report pursuant to subsection (2) of this section
24 shall file with the commission a further report of the independent
25 expenditures made since the date of the last report:

26 (a) On the twenty-first day and the seventh day preceding the
27 date on which the election is held; and

28 (b) On the tenth day of the first month after the election; and

29 (c) On the tenth day of each month in which no other reports are
30 required to be filed pursuant to this section. However, the further
31 reports required by this subsection (3) shall only be filed if the
32 reporting person has made an independent expenditure since the date
33 of the last previous report filed.

34 The report filed pursuant to (a) of this subsection (3) shall be
35 the final report, and upon submitting such final report the duties of
36 the reporting person shall cease, and there shall be no obligation to
37 make any further reports.

38 (4) All reports filed pursuant to this section shall be certified
39 as correct by the reporting person.

1 (5) Each report required by subsections (2) and (3) of this
2 section shall disclose for the period beginning at the end of the
3 period for the last previous report filed or, in the case of an
4 initial report, beginning at the time of the first independent
5 expenditure, and ending not more than one business day before the
6 date the report is due:

7 (a) The name, address, and electronic contact information of the
8 person filing the report;

9 (b) The name and address of each person to whom an independent
10 expenditure was made in the aggregate amount of more than fifty
11 dollars, and the amount, date, and purpose of each such expenditure.
12 If no reasonable estimate of the monetary value of a particular
13 independent expenditure is practicable, it is sufficient to report
14 instead a precise description of services, property, or rights
15 furnished through the expenditure and where appropriate to attach a
16 copy of the item produced or distributed by the expenditure;

17 (c) The total sum of all independent expenditures made during the
18 campaign to date; (~~and~~)

19 (d) A certification of any entity making the expenditure that it
20 is not owned or controlled by fifty percent or more foreign
21 nationals; and

22 (e) Such other information as shall be required by the commission
23 by rule in conformance with the policies and purposes of this
24 chapter.

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