

---

**HOUSE BILL 1426**

---

**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Representatives Mena, Reed, Fosse, Street, Simmons, Bateman, Ramel, Pollet, and Ormsby

Read first time 01/18/23. Referred to Committee on State Government & Tribal Relations.

1 AN ACT Relating to campaign contributions by controlled entities;  
2 amending RCW 42.17A.455; and adding a new section to chapter 42.17A  
3 RCW.

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

5 **Sec. 1.** RCW 42.17A.455 and 2010 c 204 s 609 are each amended to  
6 read as follows:

7 For purposes of this chapter:

8 (1) A contribution by a political committee with funds that have  
9 all been contributed by one person who exercises exclusive control  
10 over the distribution of the funds of the political committee is a  
11 contribution by the controlling person.

12 (2) Two or more entities are treated as a single entity if one of  
13 the two or more entities is a subsidiary, branch, or department of a  
14 corporation that is participating in an election campaign or making  
15 contributions, or a local unit or branch of a trade association,  
16 labor union, or collective bargaining association that is  
17 participating in an election campaign or making contributions. All  
18 contributions made by a person or political committee whose  
19 contribution or expenditure activity is financed, maintained, or  
20 controlled by a trade association, labor union, collective bargaining  
21 organization, or the local unit of a trade association, labor union,

1 or collective bargaining organization are considered made by the  
2 trade association, labor union, collective bargaining organization,  
3 or local unit of a trade association, labor union, or collective  
4 bargaining organization.

5 (3)(a) If an individual directs or controls an entity's  
6 contributions, the entity's contributions shall be aggregated with  
7 contributions made by both:

8 (i) That individual; and

9 (ii) Any other entity whose contributions that individual directs  
10 or controls.

11 (b) If two or more entities make contributions that are directed  
12 or controlled by a majority of the same persons, the contributions of  
13 those entities shall be aggregated.

14 (c) Contributions made by entities that are majority-owned by a  
15 person shall be aggregated with the contributions of the majority  
16 owner and all other entities majority-owned by that person, unless  
17 those entities act independently in their contribution-making  
18 decisions.

19 (4) The commission shall adopt rules to carry out this section  
20 and is not subject to the time restrictions of RCW 42.17A.110(1).

21 NEW SECTION. Sec. 2. A new section is added to chapter 42.17A  
22 RCW to read as follows:

23 (1) Any limited liability company that has registered with the  
24 secretary of state under chapter 23.95 RCW and has not elected to be  
25 classified as a corporation under the federal tax code may make  
26 contributions only if the company has:

27 (a) Been in existence for at least one year prior to making  
28 contributions; and

29 (b) Electronically filed with the commission a declaration that  
30 the company is a legitimate business with a legitimate business  
31 interest and is not created for the sole purpose of making campaign  
32 contributions.

33 (2) The commission shall develop a method for limited liability  
34 companies to file the declaration required under subsection (1)(b) of  
35 this section. The commission shall post all information submitted  
36 pursuant to this section on its website on a public page in a  
37 searchable format.

--- END ---