
SENATE BILL 5832

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By Senators Nguyen, Hasegawa, Hunt, Keiser, Kuderer, Lias, Salomon, and Valdez

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1 AN ACT Relating to strengthening campaign finance disclosure by
2 prohibiting campaign contributions and expenditures by foreign-
3 influenced corporations; amending RCW 42.17A.005, 42.17A.240,
4 42.17A.250, and 42.17A.265; adding new sections to chapter 42.17A
5 RCW; creating a new section; repealing RCW 42.17A.417 and 42.17A.418;
6 and providing an effective date.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that corporations
9 and other for-profit business entities with partial foreign ownership
10 spend money to influence state and local elections in Washington and
11 around the country. The explicit or implicit influence of major
12 foreign investors subjects corporate decision making to foreign
13 influence as executives consider interests of foreign investors.
14 Furthermore, investors are the ultimate beneficiaries of corporate
15 interests. Where part of the shareholders' equity is attributable to
16 foreign investors, spending corporate treasury funds on elections in
17 the state of Washington means spending the equity of foreign entities
18 on elections in the state of Washington. Finally, corporations and
19 similar for-profit business entities have a fiduciary responsibility
20 to their shareholders or other investors, including investors around
21 the world, and generally prioritize the interests of such investors,

1 which may diverge substantially from the interests of the people of
2 Washington and the United States. The United States securities and
3 exchange commission, major capital investors, corporate managers, and
4 corporate governance experts broadly agree that ownership or control
5 of one percent or more of shares can confer substantial influence on
6 corporate decision making. For similar reasons, ownership or control
7 of five percent or more of shares by multiple foreign investors can
8 affect corporate decision making.

9 The legislature further finds that current law does not
10 adequately protect against foreign interference through corporate
11 political spending by United States corporations with significant
12 foreign ownership. Corporations and similar business entities with
13 partial foreign ownership regularly spend millions of dollars on
14 elections in the state of Washington. This political spending by
15 foreign-influenced corporations threatens democratic self-government.
16 Therefore, to protect the integrity of the state's democratic self-
17 government, it is necessary to prevent foreign-influenced business
18 entities from influencing elections through political spending.

19 **Sec. 2.** RCW 42.17A.005 and 2022 c 71 s 14 are each amended to
20 read as follows:

21 The definitions in this section apply throughout this chapter
22 unless the context clearly requires otherwise.

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

25 (2) "Agency" includes all state agencies and all local agencies.
26 "State agency" includes every state office, department, division,
27 bureau, board, commission, or other state agency. "Local agency"
28 includes every county, city, town, municipal corporation, quasi-
29 municipal corporation, or special purpose district, or any office,
30 department, division, bureau, board, commission, or agency thereof,
31 or other local public agency. "Agency" does not include a
32 comprehensive cancer center participating in a collaborative
33 arrangement as defined in RCW 28B.10.930 that is operated in
34 conformance with RCW 28B.10.930.

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

1 (4) "Ballot proposition" means any "measure" as defined by RCW
2 29A.04.091, or any initiative, recall, or referendum proposition
3 proposed to be submitted to the voters of the state or any municipal
4 corporation, political subdivision, or other voting constituency from
5 and after the time when the proposition has been initially filed with
6 the appropriate election officer of that constituency before its
7 circulation for signatures.

8 (5) "Benefit" means a commercial, proprietary, financial,
9 economic, or monetary advantage, or the avoidance of a commercial,
10 proprietary, financial, economic, or monetary disadvantage.

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

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

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

18 (c) The county central committee or legislative district
19 committee of a major political party. There may be only one
20 legislative district committee for each party in each legislative
21 district.

22 (7) "Books of account" means:

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

27 (b) In the case of a commercial advertiser, details of political
28 advertising or electioneering communications provided by the
29 advertiser, including the names and addresses of persons from whom it
30 accepted political advertising or electioneering communications, the
31 exact nature and extent of the services rendered and the total cost
32 and the manner of payment for the services.

33 (8) "Candidate" means any individual who seeks nomination for
34 election or election to public office. An individual seeks nomination
35 or election when the individual first:

36 (a) Receives contributions or makes expenditures or reserves
37 space or facilities with intent to promote the individual's candidacy
38 for office;

39 (b) Announces publicly or files for office;

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

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

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

8 (10) "Commercial advertiser" means any person that sells the
9 service of communicating messages or producing material for broadcast
10 or distribution to the general public or segments of the general
11 public whether through brochures, fliers, newspapers, magazines,
12 television, radio, billboards, direct mail advertising, printing,
13 paid internet or digital communications, or any other means of mass
14 communications used for the purpose of appealing, directly or
15 indirectly, for votes or for financial or other support in any
16 election campaign.

17 (11) "Commission" means the agency established under RCW
18 42.17A.100.

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

22 (13) "Compensation" unless the context requires a narrower
23 meaning, includes payment in any form for real or personal property
24 or services of any kind. For the purpose of compliance with RCW
25 42.17A.710, "compensation" does not include per diem allowances or
26 other payments made by a governmental entity to reimburse a public
27 official for expenses incurred while the official is engaged in the
28 official business of the governmental entity.

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

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

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

37 (ii) An expenditure made by a person in cooperation,
38 consultation, or concert with, or at the request or suggestion of, a
39 candidate, a political or incidental committee, the person or persons
40 named on the candidate's or committee's registration form who direct

1 expenditures on behalf of the candidate or committee, or their
2 agents;

3 (iii) The financing by a person of the dissemination,
4 distribution, or republication, in whole or in part, of broadcast,
5 written, graphic, digital, or other form of political advertising or
6 electioneering communication prepared by a candidate, a political or
7 incidental committee, or its authorized agent;

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

11 (b) "Contribution" does not include:

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

14 (ii) Ordinary home hospitality;

15 (iii) A contribution received by a candidate or political or
16 incidental committee that is returned to the contributor within ten
17 business days of the date on which it is received by the candidate or
18 political or incidental committee;

19 (iv) A news item, feature, commentary, or editorial in a
20 regularly scheduled news medium that is of interest to the public,
21 that is in a news medium controlled by a person whose business is
22 that news medium, and that is not controlled by a candidate or a
23 political or incidental committee;

24 (v) An internal political communication primarily limited to the
25 members of or contributors to a political party organization or
26 political or incidental committee, or to the officers, management
27 staff, or stockholders of a corporation or similar enterprise, or to
28 the members of a labor organization or other membership organization;

29 (vi) The rendering of personal services of the sort commonly
30 performed by volunteer campaign workers, or incidental expenses
31 personally incurred by volunteer campaign workers not in excess of
32 fifty dollars personally paid for by the worker. "Volunteer
33 services," for the purposes of this subsection, means services or
34 labor for which the individual is not compensated by any person;

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

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

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

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

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

14 (A) The person performs solely ministerial functions;

15 (B) A person who is paid by two or more candidates or political
16 or incidental committees is identified by the candidates and
17 political committees on whose behalf services are performed as part
18 of their respective statements of organization under RCW 42.17A.205;
19 and

20 (C) The person does not disclose, except as required by law, any
21 information regarding a candidate's or committee's plans, projects,
22 activities, or needs, or regarding a candidate's or committee's
23 contributions or expenditures that is not already publicly available
24 from campaign reports filed with the commission, or otherwise engage
25 in activity that constitutes a contribution under (a)(ii) of this
26 subsection.

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

31 (c) Contributions other than money or its equivalent are deemed
32 to have a monetary value equivalent to the fair market value of the
33 contribution. Services or property or rights furnished at less than
34 their fair market value for the purpose of assisting any candidate or
35 political committee are deemed a contribution. Such a contribution
36 must be reported as an in-kind contribution at its fair market value
37 and counts towards any applicable contribution limit of the provider.

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

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

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

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

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

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

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

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

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

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

37 (i) Usual and customary advertising of a business owned by a
38 candidate, even if the candidate is mentioned in the advertising when
39 the candidate has been regularly mentioned in that advertising

1 appearing at least twelve months preceding the candidate becoming a
2 candidate;

3 (ii) Advertising for candidate debates or forums when the
4 advertising is paid for by or on behalf of the debate or forum
5 sponsor, so long as two or more candidates for the same position have
6 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:

9 (A) Of interest to the 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 or
13 incidental committee;

14 (iv) Slate cards and sample ballots;

15 (v) Advertising for books, films, dissertations, or similar works
16 (A) written by a candidate when the candidate entered into a contract
17 for such publications or media at least twelve months before becoming
18 a candidate, or (B) written about a candidate;

19 (vi) Public service announcements;

20 (vii) An internal political communication primarily limited to
21 the members of or contributors to a political party organization or
22 political or incidental committee, or to the officers, management
23 staff, or stockholders of a corporation or similar enterprise, or to
24 the members of a labor organization or other membership organization;

25 (viii) An expenditure by or contribution to the authorized
26 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.

29 (22) "Expenditure" includes a payment, contribution,
30 subscription, distribution, loan, advance, deposit, or gift of money
31 or anything of value, and includes a contract, promise, or agreement,
32 whether or not legally enforceable, to make an expenditure.
33 "Expenditure" also includes a promise to pay, a payment, or a
34 transfer of anything of value in exchange for goods, services,
35 property, facilities, or anything of value for the purpose of
36 assisting, benefiting, or honoring any public official or candidate,
37 or assisting in furthering or opposing any election campaign. For the
38 purposes of this chapter, agreements to make expenditures, contracts,
39 and promises to pay may be reported as estimated obligations until
40 actual payment is made. "Expenditure" shall not include the partial

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

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

6 (24) "Foreign national" means:

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

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

10 (c) A foreign political party; and

11 (d) Any entity, such as a partnership, association, corporation,
12 organization, or other combination of persons, that is organized
13 under the laws of or has its principal place of business in a foreign
14 country.

15 (25) (a) "Foreign-influenced corporation" means either a for-
16 profit corporation or a limited liability company formed under
17 chapter 25.15 RCW or under similar laws of another state, for which
18 at least one of the following conditions is met:

19 (i) A single foreign investor holds, owns, controls, or otherwise
20 has direct or indirect beneficial ownership of one percent or more of
21 the total equity, outstanding voting shares, membership units, or
22 other applicable ownership interests of the corporation or limited
23 liability company;

24 (ii) Two or more foreign investors, in aggregate, hold, own,
25 control, or otherwise have direct or indirect beneficial ownership of
26 five percent or more of the total equity, outstanding voting shares,
27 membership units, or other applicable ownership interests of the
28 corporation or limited liability company; or

29 (iii) A foreign investor participates directly or indirectly in
30 the corporation or limited liability company's decision-making
31 process with respect to the corporation or limited liability
32 company's political activities in the United States.

33 (b) The calculation of a person or entity's ownership interest
34 for purposes of (a) (i) and (ii) of this subsection must exclude any
35 portion of the person or entity's direct or indirect beneficial
36 ownership of equity, outstanding voting shares, membership units, or
37 otherwise applicable ownership interests of a corporation that are
38 held or owned in a mutual fund based in the United States.

39 (26) "Foreign investor" means a person or entity that:

1 (a) Holds, owns, controls, or otherwise has direct or indirect
2 beneficial ownership of equity, outstanding voting shares, membership
3 units, or other applicable ownership interests of a corporation or
4 limited liability company; and

5 (b) Is any of the following:

6 (i) A government of a foreign country;

7 (ii) A foreign political party;

8 (iii) A partnership, association, corporation, limited liability
9 company, organization, or other combination of persons organized
10 under the laws of or having its principal place of business in a
11 foreign country;

12 (iv) An individual outside the United States who is not a citizen
13 of the United States and who is not lawfully admitted for permanent
14 residence; or

15 (v) A corporation or limited liability company in which a person
16 or entity described in (b) (i) through (iv) of this subsection holds,
17 owns, controls, or otherwise has directly or indirectly acquired a
18 beneficial ownership of equity or voting shares in an amount that is
19 equal to or greater than 50 percent of the total equity or
20 outstanding voting shares.

21 (27) "General election" for the purposes of RCW 42.17A.405 means
22 the election that results in the election of a person to a state or
23 local office. It does not include a primary.

24 ~~((26))~~ (28) "Gift" has the definition in RCW 42.52.010.

25 ~~((27))~~ (29) "Immediate family" includes the spouse or domestic
26 partner, dependent children, and other dependent relatives, if living
27 in the household. For the purposes of the definition of
28 "intermediary" in this section, "immediate family" means an
29 individual's spouse or domestic partner, and child, stepchild,
30 grandchild, parent, stepparent, grandparent, brother, half brother,
31 sister, or half sister of the individual and the spouse or the
32 domestic partner of any such person and a child, stepchild,
33 grandchild, parent, stepparent, grandparent, brother, half brother,
34 sister, or half sister of the individual's spouse or domestic partner
35 and the spouse or the domestic partner of any such person.

36 ~~((28))~~ (30) "Incidental committee" means any nonprofit
37 organization not otherwise defined as a political committee but that
38 may incidentally make a contribution or an expenditure in excess of
39 the reporting thresholds in RCW 42.17A.235, directly or through a
40 political committee. Any nonprofit organization is not an incidental

1 committee if it is only remitting payments through the nonprofit
2 organization in an aggregated form and the nonprofit organization is
3 not required to report those payments in accordance with this
4 chapter.

5 ~~((29))~~ (31) "Incumbent" means a person who is in present
6 possession of an elected office.

7 ~~((30))~~ (32)(a) "Independent expenditure" means an expenditure
8 that has each of the following elements:

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

11 (A) A candidate for that office;

12 (B) An authorized committee of that candidate for that office;
13 and

14 (C) A person who has received the candidate's encouragement or
15 approval to make the expenditure, if the expenditure pays in whole or
16 in part for political advertising supporting that candidate or
17 promoting the defeat of any other candidate or candidates for that
18 office;

19 (ii) It is made in support of or in opposition to a candidate for
20 office by a person with whom the candidate has not collaborated for
21 the purpose of making the expenditure, if the expenditure pays in
22 whole or in part for political advertising supporting that candidate
23 or promoting the defeat of any other candidate or candidates for that
24 office;

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

29 (iv) The expenditure, alone or in conjunction with another
30 expenditure or other expenditures of the same person in support of or
31 opposition to that candidate, has a value of one thousand dollars or
32 more. A series of expenditures, each of which is under one thousand
33 dollars, constitutes one independent expenditure if their cumulative
34 value is one thousand dollars or more.

35 (b) "Independent expenditure" does not include: Ordinary home
36 hospitality; communications with journalists or editorial staff
37 designed to elicit a news item, feature, commentary, or editorial in
38 a regularly scheduled news medium that is of primary interest to the
39 general public, controlled by a person whose business is that news
40 medium, and not controlled by a candidate or a political committee;

1 participation in the creation of a publicly funded voters' pamphlet
2 statement in written or video form; an internal political
3 communication primarily limited to contributors to a political party
4 organization or political action committee, the officers, management
5 staff, and stockholders of a corporation or similar enterprise, or
6 the members of a labor organization or other membership organization;
7 or the rendering of personal services of the sort commonly performed
8 by volunteer campaign workers or incidental expenses personally
9 incurred by volunteer campaign workers not in excess of two hundred
10 fifty dollars personally paid for by the worker.

11 ~~((31))~~ (33) (a) "Intermediary" means an individual who transmits
12 a contribution to a candidate or committee from another person unless
13 the contribution is from the individual's employer, immediate family,
14 or an association to which the individual belongs.

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

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

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

22 ~~((32))~~ (34) "Legislation" means bills, resolutions, motions,
23 amendments, nominations, and other matters pending or proposed in
24 either house of the state legislature, and includes any other matter
25 that may be the subject of action by either house or any committee of
26 the legislature and all bills and resolutions that, having passed
27 both houses, are pending approval by the governor.

28 ~~((33))~~ (35) "Legislative office" means the office of a member
29 of the state house of representatives or the office of a member of
30 the state senate.

31 ~~((34))~~ (36) "Lobby" and "lobbying" each mean attempting to
32 influence the passage or defeat of any legislation by the legislature
33 of the state of Washington, or the adoption or rejection of any rule,
34 standard, rate, or other legislative enactment of any state agency
35 under the state administrative procedure act, chapter 34.05 RCW.
36 Neither "lobby" nor "lobbying" includes an association's or other
37 organization's act of communicating with the members of that
38 association or organization.

39 ~~((35))~~ (37) "Lobbyist" includes any person who lobbies either
40 on the person's own or another's behalf.

1 (~~(36)~~) (38) "Lobbyist's employer" means the person or persons
2 by whom a lobbyist is employed and all persons by whom the lobbyist
3 is compensated for acting as a lobbyist.

4 (~~(37)~~) (39) "Ministerial functions" means an act or duty
5 carried out as part of the duties of an administrative office without
6 exercise of personal judgment or discretion.

7 (~~(38)~~) (40) "Participate" means that, with respect to a
8 particular election, an entity:

9 (a) Makes either a monetary or in-kind contribution to a
10 candidate;

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

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

16 (d) Makes a recommendation regarding whether a candidate should
17 be supported or opposed before a contribution is made by a subsidiary
18 corporation or local unit with respect to that candidate or that
19 candidate's opponent; or

20 (e) Directly or indirectly collaborates or consults with a
21 subsidiary corporation or local unit on matters relating to the
22 support of or opposition to a candidate, including, but not limited
23 to, the amount of a contribution, when a contribution should be
24 given, and what assistance, services or independent expenditures, or
25 electioneering communications, if any, will be made or should be made
26 in support of or opposition to a candidate.

27 (~~(39)~~) (41) "Person" includes an individual, partnership, joint
28 venture, public or private corporation, association, federal, state,
29 or local governmental entity or agency however constituted,
30 candidate, committee, political committee, political party, executive
31 committee thereof, or any other organization or group of persons,
32 however organized.

33 (~~(40)~~) (42) "Political advertising" includes any advertising
34 displays, newspaper ads, billboards, signs, brochures, articles,
35 tabloids, flyers, letters, radio or television presentations, digital
36 communication, or other means of mass communication, used for the
37 purpose of appealing, directly or indirectly, for votes or for
38 financial or other support or opposition in any election campaign.

39 (~~(41)~~) (43) "Political committee" means any person (except a
40 candidate or an individual dealing with the candidate's or

1 individual's own funds or property) having the expectation of
2 receiving contributions or making expenditures in support of, or
3 opposition to, any candidate or any ballot proposition.

4 ~~((42))~~ (44) "Primary" for the purposes of RCW 42.17A.405 means
5 the procedure for nominating a candidate to state or local office
6 under chapter 29A.52 RCW or any other primary for an election that
7 uses, in large measure, the procedures established in chapter 29A.52
8 RCW.

9 ~~((43))~~ (45) "Public office" means any federal, state, judicial,
10 county, city, town, school district, port district, special district,
11 or other state political subdivision elective office.

12 ~~((44))~~ (46) "Public record" has the definition in RCW
13 42.56.010.

14 ~~((45))~~ (47) "Recall campaign" means the period of time
15 beginning on the date of the filing of recall charges under RCW
16 29A.56.120 and ending thirty days after the recall election.

17 ~~((46))~~ (48) "Remediable violation" means any violation of this
18 chapter that:

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

22 (b) Occurred:

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

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

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

31 (d) Involved:

32 (i) A person who:

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

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

39 (ii) A candidate who:

40 (A) Lost the election in question; and

1 (B) Did not receive contributions over one hundred times the
2 contribution limit in aggregate per election during the campaign in
3 question.

4 (~~(47)~~) (49) (a) "Sponsor" for purposes of an electioneering
5 communications, independent expenditures, or political advertising
6 means the person paying for the electioneering communication,
7 independent expenditure, or political advertising. If a person acts
8 as an agent for another or is reimbursed by another for the payment,
9 the original source of the payment is the sponsor.

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

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

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

19 (~~(48)~~) (50) "Sponsored committee" means a committee, other than
20 an authorized committee, that has one or more sponsors.

21 (~~(49)~~) (51) "State office" means state legislative office or
22 the office of governor, lieutenant governor, secretary of state,
23 attorney general, commissioner of public lands, insurance
24 commissioner, superintendent of public instruction, state auditor, or
25 state treasurer.

26 (~~(50)~~) (52) "State official" means a person who holds a state
27 office.

28 (~~(51)~~) (53) "Surplus funds" mean, in the case of a political
29 committee or candidate, the balance of contributions that remain in
30 the possession or control of that committee or candidate subsequent
31 to the election for which the contributions were received, and that
32 are in excess of the amount necessary to pay remaining debts or
33 expenses incurred by the committee or candidate with respect to that
34 election. In the case of a continuing political committee, "surplus
35 funds" mean those contributions remaining in the possession or
36 control of the committee that are in excess of the amount necessary
37 to pay all remaining debts or expenses when it makes its final report
38 under RCW 42.17A.255.

39 (~~(52)~~) (54) "Technical correction" means the correction of a
40 minor or ministerial error in a required report that does not

1 materially harm the public interest and needs to be corrected for the
2 report to be in full compliance with the requirements of this
3 chapter.

4 ~~((53))~~ (55) "Treasurer" and "deputy treasurer" mean the
5 individuals appointed by a candidate or political or incidental
6 committee, pursuant to RCW 42.17A.210, to perform the duties
7 specified in that section.

8 ~~((54))~~ (56) "Violation" means a violation of this chapter that
9 is not a remediable violation, minor violation, or an error
10 classified by the commission as appropriate to address by a technical
11 correction.

12 **Sec. 3.** RCW 42.17A.240 and 2020 c 152 s 3 are each amended to
13 read as follows:

14 Each report required under RCW 42.17A.235 (1) through (4) must be
15 certified as correct by the treasurer and the candidate and shall
16 disclose the following, except an incidental committee only must
17 disclose and certify as correct the information required under
18 subsections (2)(d) and ~~((7))~~ (6) of this section:

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

20 (2) The name and address of each person who has made one or more
21 contributions during the period, together with the money value and
22 date of each contribution and the aggregate value of all
23 contributions received from each person during the campaign, or in
24 the case of a continuing political committee, the current calendar
25 year, with the following exceptions:

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

28 (b) Income that results from a fund-raising activity conducted in
29 accordance with RCW 42.17A.230 may be reported as one lump sum, with
30 the exception of that portion received from persons whose names and
31 addresses are required to be included in the report required by RCW
32 42.17A.230;

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

38 (d) Payments received by an incidental committee from any one
39 person need not be reported unless the person is one of the

1 committee's ten largest sources of payments received, including any
2 persons tied as the tenth largest source of payments received, during
3 the current calendar year, and the value of the cumulative payments
4 received from that person during the current calendar year is ten
5 thousand dollars or greater. For payments to incidental committees
6 from multiple persons received in aggregated form, any payment of
7 more than ten thousand dollars from any single person must be
8 reported, but the aggregated payment itself may not be reported. The
9 commission may suspend or modify reporting requirements for payments
10 received by an incidental committee in cases of manifestly
11 unreasonable hardship under this chapter;

12 (e) Payments from private foundations organized under section
13 501(c)(3) of the internal revenue code to an incidental committee do
14 not have to be reported if:

15 (i) The private foundation is contracting with the incidental
16 committee for a specific purpose other than election campaign
17 purposes;

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

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

22 (f) Commentary or analysis on a ballot proposition by an
23 incidental committee is not considered a contribution if it does not
24 advocate specifically to vote for or against the ballot proposition;
25 and

26 (g) The money value of contributions of postage is the face value
27 of the postage;

28 (3) Each loan, promissory note, or security instrument to be used
29 by or for the benefit of the candidate or political committee made by
30 any person, including the names and addresses of the lender and each
31 person liable directly, indirectly or contingently and the date and
32 amount of each such loan, promissory note, or security instrument;

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

34 (5) ~~((A statement that the candidate or political committee has
35 received a certification from any partnership, association,
36 corporation, organization, or other combination of persons making a
37 contribution to the candidate or political committee that:~~

38 ~~(a) The contribution is not financed in any part by a foreign
39 national; and~~

1 ~~(b) Foreign nationals are not involved in making decisions~~
2 ~~regarding the contribution in any way;~~

3 ~~(6))~~ The name and address of each candidate or political
4 committee to which any transfer of funds was made, including the
5 amounts and dates of the transfers;

6 ~~((7))~~ (6) The name and address of each person to whom an
7 expenditure was made in the aggregate amount of more than fifty
8 dollars during the period covered by this report, the amount, date,
9 and purpose of each expenditure, and the total sum of all
10 expenditures. An incidental committee only must report on
11 expenditures, made and reportable as contributions as defined in RCW
12 42.17A.005, to election campaigns. For purposes of this subsection,
13 commentary or analysis on a ballot proposition by an incidental
14 committee is not considered an expenditure if it does not advocate
15 specifically to vote for or against the ballot proposition;

16 ~~((8))~~ (7) The name, address, and electronic contact information
17 of each person to whom an expenditure was made for soliciting or
18 procuring signatures on an initiative or referendum petition, the
19 amount of the compensation to each person, and the total expenditures
20 made for this purpose. Such expenditures shall be reported under this
21 subsection in addition to what is required to be reported under
22 subsection ~~((7))~~ (6) of this section;

23 ~~((9))~~ (8)(a) The name and address of any person and the amount
24 owed for any debt with a value of more than seven hundred fifty
25 dollars that has not been paid for any invoices submitted, goods
26 received, or services performed, within five business days during the
27 period within thirty days before an election, or within ten business
28 days during any other period.

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

32 ~~((10))~~ (9) The surplus or deficit of contributions over
33 expenditures;

34 ~~((11))~~ (10) The disposition made in accordance with RCW
35 42.17A.430 of any surplus funds; and

36 ~~((12))~~ (11) Any other information required by the commission by
37 rule in conformance with the policies and purposes of this chapter.

38 **Sec. 4.** RCW 42.17A.250 and 2020 c 152 s 4 are each amended to
39 read as follows:

1 (1) An out-of-state political committee organized for the purpose
2 of supporting or opposing candidates or ballot propositions in
3 another state that is not otherwise required to report under RCW
4 42.17A.205 through 42.17A.240 shall report as required in this
5 section when it makes an expenditure supporting or opposing a
6 Washington state candidate or political committee. The committee
7 shall file with the commission a statement disclosing:

8 (a) Its name and address;

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

10 (c) The names, addresses, and titles of its officers or, if it
11 has no officers, the names, addresses, and the titles of its
12 responsible leaders;

13 (d) The name, office sought, and party affiliation of each
14 candidate in the state of Washington whom the out-of-state committee
15 is supporting or opposing and, if the committee is supporting or
16 opposing the entire ticket of any party, the name of the party;

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

20 (f) The name and address of each person residing in the state of
21 Washington or corporation that has a place of business in the state
22 of Washington who has made one or more contributions in the aggregate
23 of more than twenty-five dollars to the out-of-state committee during
24 the current calendar year, together with the money value and date of
25 the contributions;

26 (g) The name, address, and employer of each person or corporation
27 residing outside the state of Washington who has made one or more
28 contributions in the aggregate of more than two thousand five hundred
29 fifty dollars to the out-of-state committee during the current
30 calendar year, together with the money value and date of the
31 contributions. Annually, the commission must modify the two thousand
32 five hundred fifty dollar limit in this subsection based on
33 percentage change in the implicit price deflator for personal
34 consumption expenditures for the United States as published for the
35 most recent twelve-month period by the bureau of economic analysis of
36 the federal department of commerce;

37 (h) The name and address of each person in the state of
38 Washington to whom an expenditure was made by the out-of-state
39 committee with respect to a candidate or political committee in the
40 aggregate amount of more than fifty dollars, the amount, date, and

1 purpose of the expenditure, and the total sum of the expenditures;
2 and

3 ~~(i) ((A statement that the out-of-state committee has received a~~
4 ~~certification from any partnership, association, corporation,~~
5 ~~organization, or other combination of persons making a contribution~~
6 ~~reportable under this section that:~~

7 ~~(i) The contribution is not financed in any part by a foreign~~
8 ~~national; and~~

9 ~~(ii) Foreign nationals are not involved in making decisions~~
10 ~~regarding the contribution in any way; and~~

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

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

19 **Sec. 5.** RCW 42.17A.265 and 2020 c 152 s 7 are each amended to
20 read as follows:

21 (1) Treasurers shall prepare and deliver to the commission a
22 special report when a contribution or aggregate of contributions
23 totals one thousand dollars or more, is from a single person or
24 entity, and is received during a special reporting period.

25 (2) A political committee shall prepare and deliver to the
26 commission a special report when it makes a contribution or an
27 aggregate of contributions to a single entity that totals one
28 thousand dollars or more during a special reporting period.

29 (3) An aggregate of contributions includes only those
30 contributions made to or received from a single entity during any one
31 special reporting period. Any subsequent contribution of any size
32 made to or received from the same person or entity during the special
33 reporting period must also be reported.

34 (4) Special reporting periods, for purposes of this section,
35 include:

36 (a) The period beginning on the day after the last report
37 required by RCW 42.17A.235 and 42.17A.240 to be filed before a
38 primary and concluding on the end of the day before that primary;

39 (b) The period twenty-one days preceding a general election; and

1 (c) An aggregate of contributions includes only those
2 contributions received from a single entity during any one special
3 reporting period or made by the contributing political committee to a
4 single entity during any one special reporting period.

5 (5) If a campaign treasurer files a special report under this
6 section for one or more contributions received from a single entity
7 during a special reporting period, the treasurer shall also file a
8 special report under this section for each subsequent contribution of
9 any size which is received from that entity during the special
10 reporting period. If a political committee files a special report
11 under this section for a contribution or contributions made to a
12 single entity during a special reporting period, the political
13 committee shall also file a special report for each subsequent
14 contribution of any size which is made to that entity during the
15 special reporting period.

16 (6) Special reports required by this section shall be delivered
17 electronically, or in written form if an electronic alternative is
18 not available.

19 (a) The special report required of a contribution recipient under
20 subsection (1) of this section shall be delivered to the commission
21 within forty-eight hours of the time, or on the first working day
22 after: The contribution of one thousand dollars or more is received
23 by the candidate or treasurer; the aggregate received by the
24 candidate or treasurer first equals one thousand dollars or more; or
25 any subsequent contribution from the same source is received by the
26 candidate or treasurer.

27 (b) The special report required of a contributor under subsection
28 (2) of this section or RCW 42.17A.625 shall be delivered to the
29 commission, and the candidate or political committee to whom the
30 contribution or contributions are made, within twenty-four hours of
31 the time, or on the first working day after: The contribution is
32 made; the aggregate of contributions made first equals one thousand
33 dollars or more; or any subsequent contribution to the same person or
34 entity is made.

35 (7) The special report shall include:

36 (a) The amount of the contribution or contributions;

37 (b) The date or dates of receipt;

38 (c) The name and address of the donor;

39 (d) The name and address of the recipient; and

1 (e) (~~(A statement that the candidate or political committee has~~
2 ~~received a certification from any partnership, association,~~
3 ~~corporation, organization, or other combination of persons making a~~
4 ~~contribution reportable under this section that:~~

5 ~~(i) The contribution is not financed in any part by a foreign~~
6 ~~national; and~~

7 ~~(ii) Foreign nationals are not involved in making decisions~~
8 ~~regarding the contribution in any way; and~~

9 ~~(f))~~ Any other information the commission may by rule require.

10 (8) Contributions reported under this section shall also be
11 reported as required by other provisions of this chapter.

12 (9) The commission shall prepare daily a summary of the special
13 reports made under this section and RCW 42.17A.625.

14 (10) Contributions governed by this section include, but are not
15 limited to, contributions made or received indirectly through a third
16 party or entity whether the contributions are or are not reported to
17 the commission as earmarked contributions under RCW 42.17A.270.

18 NEW SECTION. **Sec. 6.** A new section is added to chapter 42.17A
19 RCW to read as follows:

20 (1) A foreign-influenced corporation may not:

21 (a) Make an expenditure, or offer or agree to make an
22 expenditure, including an independent expenditure, in support of or
23 opposition to a candidate for office or a ballot proposition;

24 (b) Make a contribution to a political committee or political
25 party.

26 (2) A foreign-influenced corporation may not make a contribution
27 or donation to any other person or entity with the express or implied
28 condition that the contribution or donation, or any part of the
29 contribution or donation, be used for any of the purposes prohibited
30 in this section.

31 (3) Nothing in this section prohibits for-profit corporations or
32 limited liability companies subject to this act from establishing and
33 administering a sponsored committee, as defined in RCW 42.17A.005.
34 However, for-profit corporations and limited liability companies may
35 not make direct contributions to the sponsored committee from their
36 general treasury.

37 NEW SECTION. **Sec. 7.** A new section is added to chapter 42.17A
38 RCW to read as follows:

1 (1) A for-profit corporation subject to the laws of Washington
2 state under Title 23B RCW or a limited liability company formed under
3 or required to register pursuant to chapter 25.15 RCW, that makes a
4 contribution or expenditure must submit a certification to the
5 commission that it was not a foreign-influenced corporation as of the
6 date that the contribution or expenditure was made. The certification
7 must be submitted within seven business days after the contribution
8 or expenditure is made and must be signed by the corporation's chief
9 executive officer, under penalty of perjury, after reasonable
10 inquiry.

11 (2) Within seven business days after the contribution or
12 expenditure is made, the corporation or limited liability company
13 must additionally provide a copy of the certification to:

14 (a) If the activity requiring certification was an independent
15 expenditure, the committee receiving the independent expenditure;

16 (b) Any candidate or committee to which the corporation or
17 limited liability company makes a contribution; and

18 (c) Upon request of the recipient, any other person to which it
19 contributes.

20 (3) For purposes of this certification, the corporation or
21 limited liability company shall ascertain beneficial ownership in a
22 manner consistent with RCW 23B.19.020 or, if it is registered on a
23 national securities exchange, as set forth in 17 C.F.R. Secs.
24 240.13d-3 and 240.13d-5.

25 (4) Nothing in this section shall be construed to establish
26 liability on the part of any candidate, committee, or other recipient
27 of a certification. A candidate or committee may rely in good faith
28 on a certification of compliance for purposes of this chapter.

29 NEW SECTION. **Sec. 8.** The following acts or parts of acts are
30 each repealed:

31 (1) RCW 42.17A.417 (Foreign nationals—Contributions,
32 expenditures, and electioneering prohibited) and 2020 c 152 s 9; and

33 (2) RCW 42.17A.418 (Foreign nationals—Contribution certification)
34 and 2020 c 152 s 10.

35 NEW SECTION. **Sec. 9.** If any provision of this act or its
36 application to any person or circumstance is held invalid, the
37 remainder of the act or the application of the provision to other
38 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 10.** This act takes effect January 1, 2025.

--- **END** ---