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INITIATIVE MEASURE NO. 134

Supplement To  
ADR 1992-48

1 AN ACT Relating to the regulation of political contributions and  
2 campaign expenditures; amending RCW 42.17.095, 42.17.125, 42.17.310,  
3 41.04.230, 42.17.130, 42.17.390, and 42.17.240; adding new sections to  
4 chapter 42.17.RCW; creating new sections; repealing RCW 42.17.243; and  
5 prescribing penalties.

6 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

7 PART I  
8 FINDINGS AND INTENT

9 NEW SECTION. Sec. 1. FINDINGS. The people of the state of  
10 Washington find and declare that:

11 (1) The financial strength of certain individuals or organizations  
12 should not permit them to exercise a disproportionate or controlling  
13 influence on the election of candidates.

1 (2) Rapidly increasing political campaign costs have led many  
2 candidates to raise larger percentages of money from special interests  
3 with a specific financial stake in matters before state government.  
4 This has caused the public perception that decisions of elected  
5 officials are being improperly influenced by monetary contributors.

6 (3) Candidates are raising less money in small contributions from  
7 individuals and more money from special interests. This has created  
8 the public perception that individuals have an insignificant role to  
9 play in the political process.

10 NEW SECTION. Sec. 2. INTENT. By limiting campaign contributions  
11 the people intend to:

12 (1) Ensure that individuals and interest groups have fair and equal  
13 opportunity to influence elective and governmental processes;

14 (2) Reduce the influence of large organizational contributors; and

15 (3) Restore public trust in governmental institutions and the  
16 electoral process.

17 PART II

18 DEFINITIONS

19 NEW SECTION. Sec. 3. DEFINITIONS. The definitions of RCW  
20 42.17.020 apply to sections 4 through 19 of this act except as modified  
21 by this section. Unless the context clearly requires otherwise, the  
22 definitions in this section apply throughout sections 4 through 19 of  
23 this act.

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

1 (2) " bona fide political party" means:

2 (a) An organization that has filed a valid certificate of  
3 nomination with the secretary of state under chapter 29.24 RCW, or

4 (b) The governing body of the state organization of a major  
5 political party, as defined in RCW 29.01.090, which is the body  
6 authorized by the charter or bylaws of the party to exercise authority  
7 on behalf of the state party; or

8 (c) The county central committee or legislative district committee  
9 of a major political party.

10 (3) "Candidate" means an individual seeking nomination for election  
11 or seeking election to a state office. An individual is deemed to be  
12 seeking nomination for election or seeking election when the individual  
13 first:

14 (a) Announces publicly or files for the office;

15 (b) Purchases commercial advertising space or broadcast time to  
16 promote his or her candidacy;

17 (c) Receives contributions or makes expenditures for facilities  
18 with intent to promote his or her candidacy for the office; or

19 (d) Gives his or her consent to another person to take on behalf  
20 of the individual any of the actions in (b) or (c) of this subsection.

21 (4) "Caucus of the state legislature" means the caucus of members  
22 of a major political party in the state house of representatives or in  
23 the state senate.

24 (5)(a) "Contribution" includes a loan, gift, deposit, subscription,  
25 forgiveness of indebtedness, donation, advance, pledge, payment,  
26 transfer of funds between political committees, or transfer of anything  
27 of value, including personal and professional services for less than  
28 full consideration.

29 (b) Subject to further definition by the commission, "contribution"  
30 does not include the following:

1 (i) Interest or money deposited in a political committee's account;

2 (ii) Ordinary home hospitality;

3 (iii) A contribution received by a candidate or political committee

4 that is returned to the contributor within five business days of the

5 date on which it is received by the candidate or political committee;

6 (iv) An expenditure or contribution earmarked for voter

7 registration, for absentee ballot information, for precinct caucuses,

8 for get-out-the-vote campaigns, for precinct judges or inspectors, for

9 sample ballots, or for ballot counting, all without promotion of or

10 political advertising for individual candidates;

11 (v) A news item, feature, commentary, or editorial in a regularly

12 scheduled news medium that is of primary interest to the general

13 public, that is in a news medium controlled by a person whose primary

14 business is that news medium, and that is not controlled by a candidate

15 or political committee;

16 (vi) An expenditure by a political committee for its own internal

17 organization or fund raising without direct association with individual

18 candidates;

19 (vii) An internal political communication primarily limited to the

20 contributors to a political party organization or political action

21 committee, or the officers, management staff, and stockholders of a

22 corporation or similar enterprise, or the members of a labor

23 organization or other membership organization;

24 (viii) The rendering of personal services of the sort commonly

25 performed by volunteer campaign workers, or incidental expenses

26 personally incurred by volunteer campaign workers not in excess of

27 fifty dollars personally paid for by the worker. "Volunteer services,"

28 for the purposes of this section, means services or labor for which the

29 individual is not compensated by any person and that are performed

30 outside the individual's normal working hours; or

1 (x) legal or accounting services rendered to or on behalf of:

2 (A) A political party or caucus of the state legislature if the  
3 person 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 for  
6 the services is the regular employer of the individual rendering the  
7 services and if the services are solely for the purpose of ensuring  
8 compliance with state election or public disclosure laws.

9 (c) Contributions other than money or its equivalent are deemed to  
10 have a monetary value equivalent to the fair market value of the  
11 contribution.

12 (d) Sums paid for tickets to fund-raising events such as dinners  
13 and parties are contributions, except for the actual cost of the  
14 consumables furnished at the event.

15 (e) An expenditure made by a person in cooperation, consultation,  
16 or concert with, or at the request or suggestion of, a candidate, a  
17 political committee, or their agents, is considered to be a  
18 contribution to such candidate or political committee.

19 (f) The financing by a person of the dissemination, distribution,  
20 or republication, in whole or in part, of broadcast, written, graphic,  
21 or other form of political advertising prepared by a candidate, a  
22 political committee, or its authorized agent, is considered to be a  
23 contribution to the candidate or political committee.

24 (6) "Election" means a primary or a general or special election in  
25 which a candidate is on the ballot.

26 (7) "Election cycle" means the period beginning on the first day  
27 of December after the date of the last previous general election for  
28 the office that the candidate seeks and ending on November 30th after  
29 the next election for the office. In the case of a special election  
30 to fill a vacancy in an office, "election cycle" means the period

1 beginning on the day the vacancy occurs and ending on November 30th  
2 after the special election.

3 (8) "General election" means the election that results in the  
4 election of a person to a state office. It does not include a primary.

5 (9) "Immediate family" means a candidate's spouse, and any child,  
6 stepchild, grandchild, parent, stepparent, grandparent, brother, half-  
7 brother, sister, or half-sister of the candidate and the spouse of any  
8 such person and any child, stepchild, grandchild, parent, stepparent,  
9 grandparent, brother, half-brother, sister, or half-sister of the  
10 candidate's spouse and the spouse of any such person.

11 (10) "Independent expenditure" means an "expenditure" as defined  
12 in RCW 42.17.020 that has each of the following elements:

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

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

28 (c) The expenditure, alone or in conjunction with another  
29 expenditure or other expenditures of the same person in support of or  
30 opposition to that candidate, has a value of five hundred dollars or

1 more. A series of expenditures, each of which is under five hundred  
2 dollars, constitutes one independent expenditure if their cumulative  
3 value is five hundred dollars or more.

4 (11)(a) "Intermediary" means an individual who transmits a  
5 contribution to a candidate or committee from another person unless the  
6 contribution is from the individual's employer, immediate family, or  
7 an association to which the individual belongs.

8 (b) A treasurer of a candidate is not an intermediary for purpose  
9 of the committee that the treasurer or candidate serves.

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

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

15 (12) "Person" includes:

16 (a) An individual;

17 (b) A partnership, limited partnership, public or private  
18 corporation, or joint venture;

19 (c) A nonprofit corporation, organization, or association,  
20 including but not limited to, a national, state, or local labor union  
21 or collective bargaining organization and a national, state, or local  
22 trade or professional association;

23 (d) A federal, state, or local governmental entity or agency,  
24 however constituted;

25 (e) A candidate, committee, political committee, bona fide  
26 political party, or executive committee thereof; and

27 (f) Any other organization or group of persons, however organized.

28 (13) "Primary" means the procedure for nominating a candidate to  
29 state office under chapter 29.18 or 29.21 RCW or any other primary for

1 an election which uses, in large measure, the procedures established  
2 in chapter 29.18 or 29.21 RCW.

3 (14) "Recall campaign" means the period of time beginning on the  
4 date of the filing of recall charges under RCW 29.82.015 and ending  
5 thirty days after the recall election.

6 (15) "State legislative office" means the office of a member of the  
7 state house of representatives and the office of a member of the state  
8 senate.

9 (16) "State office" means state legislative office or the office  
10 of governor, lieutenant governor, secretary of state, attorney general,  
11 commissioner of public lands, insurance commissioner, superintendent  
12 of public instruction, state auditor, or state treasurer.

13 (17) "State official" means a person who holds a state office.

14 PART III

15 CONTRIBUTIONS

16 NEW SECTION. Sec. 4. CAMPAIGN CONTRIBUTION LIMITS. (1) No  
17 person, other than a bona fide political party or a caucus of the state  
18 legislature, may make contributions to a candidate for a state  
19 legislative office that in the aggregate exceed five hundred dollars  
20 or to a candidate for a state office other than a state legislative  
21 office that in the aggregate exceed one thousand dollars for each  
22 election in which the candidate is on the ballot or appears as a write-  
23 in candidate. Contributions made with respect to a primary may not be  
24 made after the date of the primary. Contributions made with respect  
25 to a general election may not be made after the final day of the  
26 applicable election cycle.

27 (2) No person, other than a bona fide political party or a caucus  
28 of the state legislature, may make contributions to a state official

1 against whom recall charges have been filed, or to a political  
2 committee having the expectation of making expenditures in support of  
3 the recall of the state official, during a recall campaign that in the  
4 aggregate exceed five hundred dollars if for a state legislative office  
5 or one thousand dollars if for a state office other than a state  
6 legislative office.

7 (3)(a) Notwithstanding subsection (1) of this section, no bona fide  
8 political party or caucus of the state legislature may make  
9 contributions to a candidate during an election cycle that in the  
10 aggregate exceed (i) fifty cents multiplied by the number of eligible  
11 registered voters in the jurisdiction from which the candidate is  
12 elected if the contributor is a caucus of the state legislature or the  
13 governing body of a state organization, or (ii) twenty-five cents  
14 multiplied by the number of registered voters in the jurisdiction from  
15 which the candidate is elected if the contributor is a county central  
16 committee or a legislative district committee.

17 (b) No candidate may accept contributions from a county central  
18 committee or a legislative district committee during an election cycle  
19 that when combined with contributions from other county central  
20 committees or legislative district committees would in the aggregate  
21 exceed twenty-five cents times the number of registered voters in the  
22 jurisdiction from which the candidate is elected.

23 (4)(a) Notwithstanding subsection (2) of this section, no bona fide  
24 political party or caucus of the state legislature may make  
25 contributions to a state official against whom recall charges have been  
26 filed, or to a political committee having the expectation of making  
27 expenditures in support of the state official, during a recall campaign  
28 that in the aggregate exceed (i) fifty cents multiplied by the number  
29 of eligible registered voters in the jurisdiction entitled to recall  
30 the state official if the contributor is a caucus of the state

1 legislature of the governing body of a state organization, or (..)  
2 twenty-five cents multiplied by the number of registered voters in the  
3 jurisdiction from which the candidate is elected if the contributor is  
4 a county central committee or a legislative district committee.

5 (b) No state official against whom recall charges have been filed,  
6 no authorized committee of the official, and no political committee  
7 having the expectation of making expenditures in support of the recall  
8 of a state official may accept contributions from a county central  
9 committee or a legislative district committee or a legislative district  
10 committee during an election cycle that when combined with  
11 contributions from other county central committees or legislative  
12 district committees would in the aggregate exceed twenty-five cents  
13 multiplied by the number of registered voters in the jurisdiction from  
14 which the candidate is elected.

15 (5) Notwithstanding subsections (1) through (4) of this section,  
16 no person other than an individual, bona fide political party, or  
17 caucus of the state legislature may make contributions reportable under  
18 this chapter to a caucus of the state legislature that in the aggregate  
19 exceed five hundred dollars in a calendar year or to a bona fide  
20 political party that in the aggregate exceed two thousand five hundred  
21 dollars in a calendar year. This subsection does not apply to loans  
22 made in the ordinary course of business.

23 (6) For the purposes of sections 4 through 19 of this act, a  
24 contribution to the authorized political committee of a candidate, or  
25 of a state official against whom recall charges have been filed, is  
26 considered to be a contribution to the candidate or state official.

27 (7) A contribution received within the twelve-month period after  
28 a recall election concerning a state office is considered to be a  
29 contribution to that recall campaign if the contribution is used

1 to pay a debt or obligation incurred to influence the outcome of that  
2 recall campaign.

3 (8) The contributions allowed by subsection (2) of this section  
4 are in addition to those allowed by subsection (1) of this section,  
5 and the contributions allowed by subsection (4) of this section are in  
6 addition to those allowed by subsection (3) of this section.

7 (9) Sections 4 through 19 of this act apply to a special election  
8 conducted to fill a vacancy in a state office. However, the  
9 contributions made to a candidate or received by a candidate for a  
10 primary or special election conducted to fill such a vacancy shall not  
11 be counted toward any of the limitations that apply to the candidate  
12 or to contributors made to the candidate for any other primary or  
13 election.

14 (10) Notwithstanding the other subsections of this section, no  
15 corporation or business entity not doing business in Washington state,  
16 no labor union with fewer than ten members who reside in Washington  
17 state, and no political committee that has not received contributions  
18 of ten dollars or more from at least ten persons registered to vote in  
19 Washington state during the preceding one hundred eighty days may make  
20 contributions reportable under this chapter to a candidate, to a state  
21 official against whom recall charges have been filed, or to a political  
22 committee having the expectation of making expenditures in support of  
23 the recall of the official. This subsection does not apply to loans  
24 made in the ordinary course of business.

25 (11) Notwithstanding the other subsections of this section, no  
26 county central committee or legislative district committee may make  
27 contributions reportable under this chapter to a candidate, state  
28 official against whom recall charges have been filed, or political  
29 committee having the expectation of making expenditures in support of  
30 the recall of a state official if the county central committee or

1 legislative district committee is outside of the jurisdiction entitled  
2 to elect the candidate or recall the state official.

3 (12) No person may accept contributions that exceed the  
4 contribution limitations provided in this section.

5 NEW SECTION. Sec. 5. ATTRIBUTION AND AGGREGATION OF FAMILY  
6 CONTRIBUTIONS. (1) Contributions by a husband and wife are considered  
7 separate contributions.

8 (2) Contributions by unemancipated children under eighteen years  
9 of age are considered contributions by their parents and are attributed  
10 proportionately to each parent. Fifty percent of the contributions are  
11 attributed to each parent or, in the case of a single custodial parent,  
12 the total amount is attributed to the parent.

13 NEW SECTION. Sec. 6. ATTRIBUTION OF CONTRIBUTIONS BY CONTROLLED  
14 ENTITIES. For purposes of this chapter:

15 (1) A contribution by a political committee with funds that have  
16 all been contributed by one person who exercises exclusive control over  
17 the distribution of the funds of the political committee is a  
18 contribution by the controlling person.

19 (2) Two or more entities are treated as a single entity if one of  
20 the two or more entities is a subsidiary, branch, or department of a  
21 corporation or a local unit, branch, or affiliate of a trade  
22 association, labor union, or collective bargaining association. All  
23 contributions made by a person or political committee whose  
24 contribution or expenditure activity is financed, maintained, or  
25 controlled by a trade association, labor union, collective bargaining  
26 organization, or the local unit of a trade association, labor union,  
27 or collective bargaining organization are considered made by the same  
28 person or entity.

1        NEW SECTION.        Sec. 7.        ATTRIBUTION OF CONTRIBUTIONS.        All  
2 contributions made by a person or entity, either directly or  
3 indirectly, to a candidate, to a state official against whom recall  
4 charges have been filed, or to a political committee, are considered  
5 to be contributions from that person or entity to the candidate, state  
6 official, or political committee, as are contributions that are in any  
7 way earmarked or otherwise directed through an intermediary or conduit  
8 to the candidate, state official, or political committee. For the  
9 purposes of this section, "earmarked" means a designation, instruction,  
10 or encumbrance, whether direct or indirect, expressed or implied, or  
11 oral or written, that is intended to result in or does result in all  
12 or any part of a contribution being made to a certain candidate or  
13 state official. If a conduit or intermediary exercises any direction  
14 or control over the choice of the recipient candidate or state  
15 official, the contribution is considered to be by both the original  
16 contributor and the conduit or intermediary.

17        NEW SECTION.        Sec. 8.        LIMITATIONS ON EMPLOYERS OR LABOR  
18 ORGANIZATIONS. (1) No employer or labor organization may increase the  
19 salary of an officer or employee, or give an emolument to an officer,  
20 employee, or other person or entity, with the intention that the  
21 increase in salary, or the emolument, or a part of it, be contributed  
22 or spent to support or oppose a candidate, state official against whom  
23 recall charges have been filed, political party, or political  
24 committee.

25        (2) No employer or labor organization may discriminate against an  
26 officer or employee in the terms or conditions of employment for (a)  
27 the failure to contribute to, (b) the failure in any way to support or

1 oppose, or (c) in any way supporting or opposing a candidate, ballot  
2 proposition, political party, or political committee.

3 (3) No employer or other person or entity responsible for the  
4 disbursement of funds in payment of wages or salaries may withhold or  
5 divert a portion of an employee's wages or salaries for contributions  
6 to political committees or for use as political contributions except  
7 upon the written request of the employee. The request must be made on  
8 a form prescribed by the commission informing the employee of the  
9 prohibition against employer and labor organization discrimination  
10 described in subsection (2) of this section. The request is valid for  
11 no more than twelve months from the date it is made by the employee.

12 (4) Each person or entity who withholds contributions under  
13 subsection (3) of this section shall maintain open for public  
14 inspection for a period of no less than three years, during normal  
15 business hours, documents and books of accounts that shall include a  
16 copy of each employee's request, the amounts and dates funds were  
17 actually withheld, and the amounts and dates funds were transferred to  
18 a political committee. Copies of such information shall be delivered  
19 to the commission upon request.

20 NEW SECTION. Sec. 9. CHANGING MONETARY LIMITS. At the beginning  
21 of each even-numbered calendar year, the commission shall increase or  
22 decrease all dollar amounts in this chapter based on changes in  
23 economic conditions as reflected in the inflationary index used by the  
24 commission under RCW 42.17.370. The new dollar amounts established by  
25 the commission under this section shall be rounded off by the  
26 commission to amounts as judged most convenient for public  
27 understanding and so as to be within ten percent of the target amount  
28 equal to the base amount provided in this chapter multiplied by the

1 increase in the inflationary index since the effective date of this  
2 act.

3 NEW SECTION. Sec. 10. CONTRIBUTIONS FROM BEFORE EFFECTIVE DATE  
4 OF ACT. Contributions made and received before the effective date of  
5 this act are considered to be contributions under sections 4 through  
6 19 of this act. Monetary contributions that exceed the contribution  
7 limitations and that have not been spent by the recipient of the  
8 contribution by the effective date of this act must be disposed of in  
9 accordance with RCW 42.17.095.

10 NEW SECTION Sec. 11. TIME LIMIT FOR STATE OFFICIAL TO SOLICIT  
11 OR ACCEPT CONTRIBUTIONS. During the period beginning on the thirtieth  
12 day before the date a regular legislative session convenes and  
13 continuing thirty days past the date of final adjournment, and during  
14 the period beginning on the date a special legislative session convenes  
15 and continuing through the date that session adjourns, no state  
16 official or a person employed by or acting on behalf of a state  
17 official or state legislator may solicit or accept contributions to a  
18 public office fund, to a candidate or authorized committee, or to  
19 retire a campaign debt.

20 NEW SECTION. Sec. 12. RESTRICTION ON LOANS. (1) A loan is  
21 considered to be a contribution from the maker and the guarantor of the  
22 loan and is subject to the contribution limitations of this chapter.

23 (2) A loan to a candidate or the candidate committee must be by  
24 written agreement.

25 (3) The proceeds of a loan made to a candidate:

26 (a) By a commercial lending institution;

27 (b) Made in the regular course of business;

1 (c) On the same terms ordinarily available to members of the  
2 public; and

3 (d) That is secured or guaranteed,  
4 are not subject to the contribution limits of this chapter.

5 NEW SECTION. Sec. 13. CONTRIBUTIONS ON BEHALF OF ANOTHER. (1)

6 A person, other than an individual, may not be an intermediary or an  
7 agent for a contribution.

8 (2) An individual may not make a contribution on behalf of another  
9 person or entity, or while acting as the intermediary or agent of  
10 another person or entity, without disclosing to the recipient of the  
11 contribution both his or her full name, street address, occupation,  
12 name of employer, if any, or place of business if self-employed, and  
13 the same information for each contributor for whom the individual  
14 serves as intermediary or agent.

15 NEW SECTION. Sec. 14. CERTAIN CONTRIBUTIONS REQUIRED TO BE BY

16 WRITTEN INSTRUMENT. (1) An individual may not make a contribution of  
17 more than fifty dollars other than an in-kind contribution, except by  
18 a written instrument containing the name of the donor and the name of  
19 the payee.

20 (2) A committee may not make a contribution, other than in-kind,  
21 except by a written instrument containing the name of the donor and the  
22 name of the payee.

23 NEW SECTION. Sec. 15. SOLICITATION OF CONTRIBUTIONS BY GOVERNMENT

24 EMPLOYEES. (1) No state official or state official's agent may  
25 knowingly solicit, directly or indirectly, a contribution from an  
26 employee in the state official's agency.

(2) No state official or state employee may provide an advantage or disadvantage to an employee or applicant for employment in the classified civil service concerning the applicant's or employee's:

- (a) Employment;
- (b) Conditions of employment; or
- (c) Application for employment,

based on the employee's or applicant's contribution or promise to contribute or failure to make a contribution or contribute to a political party or committee.

NEW SECTION. Sec. 16. AGENCY SHOP FEES AS CONTRIBUTIONS. A labor organization may not use agency shop fees paid by an individual who is not a member of the organization to make contributions or expenditures to influence an election or to operate a political committee, unless affirmatively authorized by the individual.

NEW SECTION. Sec. 17. SOLICITATION FOR ENDORSEMENT FEES. A person or entity may not solicit from a candidate, committee, political party, or other person or entity money or other property as a condition or consideration for an endorsement, article, or other communication in the news media promoting or opposing a candidate, committee, or political party.

NEW SECTION. Sec. 18. REIMBURSEMENT FOR CONTRIBUTIONS. A person or entity may not, directly or indirectly, reimburse another person or entity for a contribution to a candidate, committee, or political party.

NEW SECTION. Sec. 19. PROHIBITION ON USE OF CONTRIBUTIONS FOR A DIFFERENT OFFICE. Except as provided in subsection (2) of this

1 section, a candidate committee may not use or permit the use of  
2 contributions solicited for or received by the candidate committee to  
3 further the candidacy of the individual for an office other than the  
4 office designated on the statement of organization. A contribution  
5 solicited for or received on behalf of the candidate is considered  
6 solicited or received for the candidacy for which the individual is  
7 then a candidate if the contribution is solicited or received before  
8 the general elections for which the candidate is a nominee or  
9 unopposed.

10 (2) With the written approval of a contributor, a candidate  
11 committee may use or permit the use of contributions solicited for or  
12 received by the candidate committee from that contributor to further  
13 the candidacy of the individual for an office other than the office  
14 designated on the statement of organization.

15 Sec. 20. TRANSFER OF FUNDS--USE OF FUNDS FOR OTHER OFFICE  
16 ELIMINATED. RCW 42.17.095 and 1982 c 147 s 8 are each amended to read  
17 as follows:

18 The surplus funds of a candidate, or of a political committee  
19 supporting or opposing a candidate, may only be disposed of in any one  
20 or more of the following ways:

21 (1) Return the surplus to a contributor in an amount not to exceed  
22 that contributor's original contribution;

23 (2) Transfer the surplus to the candidate's personal account as  
24 reimbursement for lost earnings incurred as a result of that  
25 candidate's election campaign. Such lost earnings shall be verifiable  
26 as unpaid salary or, when the candidate is not salaried, as an amount  
27 not to exceed the amount received by the candidate for services rendered  
28 during an appropriate, corresponding time period. All lost earnings  
29 incurred shall be documented and a record thereof shall be maintained

1 by the candidate or the candidate's political committee. The committee  
2 shall include a copy of such records when its expenditure for such  
3 reimbursement is reported pursuant to RCW 42.17.090;

4 (3) Transfer the surplus to (~~one or more candidates or to~~) a  
5 political (~~committee or~~) party or to a caucus of the state  
6 legislature;

7 (4) Donate the surplus to a charitable organization registered in  
8 accordance with chapter 19.09 RCW;

9 (5) Transfer the surplus to the state treasurer for deposit in the  
10 general fund; or

11 (6) Hold the surplus in the campaign depository or depositories  
12 designated in accordance with RCW 42.17.050 for possible use in a  
13 future election campaign (~~for political activity, for committee~~  
14 ~~activity, or for non-representative public office related expenses); for the~~  
15 same office last sought by the candidate and report any such  
16 disposition in accordance with RCW 42.17.090: PROVIDED, That if the  
17 candidate subsequently announces or publicly files for office,  
18 information as appropriate is reported to the commission in accordance  
19 with RCW 42.17.040 through 42.17.090. If a subsequent office is not  
20 sought the surplus held shall be disposed of in accordance with the  
21 requirements of this section.

22 (7) No candidate or authorized committee may transfer funds to any  
23 other candidate or other political committee.

24 Sec. 21. CANDIDATE PERSONAL FUND LOANS LIMITED. RCW 42.17.125 and  
25 1989 c 280 s 12 are each amended to read as follows:

26 Contributions received and reported in accordance with RCW  
27 42.17.060 through 42.17.090 may only be transferred to the personal  
28 account of a candidate, or of a treasurer or other individual or

1 expended for such individual's personal use under the following  
2 circumstances:

3 (1) Reimbursement for or loans to cover lost earnings incurred as  
4 a result of campaigning or services performed for the committee. Such  
5 lost earnings shall be verifiable as unpaid salary, or when the  
6 individual is not salaried, as an amount not to exceed income received  
7 by the individual for services rendered during an appropriate,  
8 corresponding time period. All lost earnings incurred shall be  
9 documented and a record thereof shall be maintained by the individual  
10 or the individual's political committee. The committee shall include  
11 a copy of such record when its expenditure for such reimbursement is  
12 reported pursuant to RCW 42.17.090.

13 (2) Reimbursement for direct out-of-pocket election campaign and  
14 postelection campaign related expenses made by the individual. To  
15 receive reimbursement from the political committee, the individual  
16 shall provide the committee with written documentation as to the  
17 amount, date, and description of each expense, and the committee shall  
18 include a copy of such information when its expenditure for such  
19 reimbursement is reported pursuant to RCW 42.17.090.

20 (3) Repayment of loans made by the individual to political  
21 committees, which repayment shall be reported pursuant to RCW  
22 42.17.090. However, contributions may not be used to reimburse a  
23 candidate for loans totaling more than three thousand dollars made by  
24 the candidate to the candidate's own authorized committee or campaign.

25 PART IV

26 INDEPENDENT EXPENDITURES

27 Sec. 22. INDEPENDENT EXPENDITURE ADVERTISING DISCLOSURE. RCW  
28 42.17.510 and 42.17.515 are each amended to read as follows:

1       (1) All written political advertising, whether relating to  
2 candidates or ballot propositions, shall include the sponsor's name and  
3 address. All radio and television political advertising, whether  
4 relating to candidates or ballot propositions, shall include the  
5 sponsor's name. The use of an assumed name shall be unlawful. The  
6 party with which a candidate files shall be clearly identified in  
7 political advertising for partisan office.

8       (2) In addition to the materials required by subsection (1) of this  
9 section, all political advertising undertaken as an independent  
10 expenditure by a person or entity other than a party organization must  
11 include the following statement on the communication "NOTICE TO VOTERS  
12 (Required by law): This advertisement is not authorized or approved  
13 by any candidate. It is paid for by (name, address, city, state)."  
14 If the advertisement is undertaken by a nonindividual, then the  
15 following notation must also be included: "Top Five Contributors,"  
16 followed by a listing of the names of the five persons or entities  
17 making the largest contributions reportable under this chapter during  
18 the twelve-month period before the date of the advertisement.

19       (3) The statements and listings of contributors required by  
20 subsections (1) and (2) of this section shall:

21       (a) Appear on each page or fold of the written communication in at  
22 least ten-point type, or in type at least ten percent of the largest  
23 size type used in a written communication directed at more than one  
24 voter, such as a billboard or poster, whichever is larger;

25       (b) Not be subject to the half-tone or screening process;

26       (c) Be in a printed or drawn box set apart from any other printed  
27 matter; and

28       (d) Be clearly spoken on any broadcast advertisement.

29       (4) Political campaigns are exempt from the requirements of  
30 subsections (1), and (2) of this section that the name and address of

1 the sponsor of political advertising be listed on the advertising. In  
2 addition, the public disclosure commission shall, by rule, exempt from  
3 the identification requirements of subsections (1) and (2) of this  
4 section forms of political advertising such as campaign buttons,  
5 balloons, pens, pencils, sky-writing, inscriptions, and other forms of  
6 advertising where identification is impractical.

7 ~~((+3+))~~ (5) For the purposes of this section, "yard sign" means any  
8 outdoor sign with dimensions no greater than eight feet by four feet.

9 NEW SECTION. Sec. 23. INDEPENDENT EXPENDITURE DISCLOSURE. A  
10 person or entity, other than a party organization making an independent  
11 expenditure by mailing one thousand or more identical or nearly  
12 identical cumulative pieces of political advertising in a single  
13 calendar year shall, within two working days after the date of the  
14 mailing, file a statement disclosing the number of pieces in the  
15 mailing and an example of the mailed political advertising with the  
16 election officer of the county or residence for the candidate supported  
17 or opposed by the independent campaign expenditure or, in the case of  
18 an expenditure made in support of or in opposition to a ballot  
19 proposition, the county of residence for the person making the  
20 expenditure.

21 PART V  
22 USE OF PUBLIC FUNDS OR OFFICE FOR POLITICAL PURPOSES

23 NEW SECTION. Sec. 24. Public funds, whether derived through  
24 taxes, fees, penalties, or any other sources, shall not be used to  
25 finance political campaigns for state or local office.

NEW SECTION. Sec. 25. MAILING PRIVILEGE LIMITED. During the

12 twelve-month period preceding the expiration of a state legislator's  
13 term in office, no legislator or that office may mail to a constituent  
14 at public expense a letter, newsletter, brochure, or other piece of  
15 literature that is not a direct response to that constituent's request  
16 for a response or for information. However, one mailing mailed within  
17 thirty days after the start of a regular legislative session and one  
18 mailing mailed within sixty days after the end of a regular legislative  
19 session of identical newsletters to constituents are permitted. A  
20 violation of this section constitutes use of the facilities of a public  
21 office for the purpose of assisting a campaign under PCW 42.17 100

22 The house of representatives and senate shall specifically limit  
23 expenditures per member for the total cost of mailings, including but  
24 not limited to production costs, printing costs, and postage.

25 Sec. 26. STATE PAYROLL POLITICAL CHECK-OFF ELIMINATED. PCW  
26 42.04.230 and 1988 c 107 s 19 are each amended to read as follows:

27 Any official of the state authorized to disburse funds or payment  
28 of salaries and wages of public officers or employees is authorized,  
29 upon written request of the officer or employee, to deduct from the  
30 salaries or wages of the officers or employees, the amount or amounts  
31 of subscription payments, premiums, contributions, or contributions  
32 thereof, for payment of the following:

33 (1) Credit union deductions: PROVIDED, That the credit union is  
34 organized solely for public employees: AND PROVIDED FURTHER, That  
35 twenty-five or more employees of a single state agency or a total of  
36 one hundred or more state employees of several agencies have authorized  
37 such a deduction for payment to the same credit union.

1 (2) Parking fee deductions: PROVIDED, That payment is made for  
2 parking facilities furnished by the agency or by the department of  
3 general administration.

4 (3) U.S. savings bond deductions: PROVIDED, That a person within  
5 the particular agency shall be appointed to act as trustee. The  
6 trustee will receive all contributions; purchase and deliver all bond  
7 certificates; and keep such records and furnish such bond or security  
8 as will render full accountability for all bond contributions.

9 (4) Board, lodging or uniform deductions when such board, lodging  
10 and uniforms are furnished by the state, or deductions for a  
11 tuition or fees or scholarship contributions payable to the  
12 institution.

13 (5) Dues and other fees deductions: PROVIDED, That the deduction  
14 is for payment of membership dues to any professional organization  
15 formed primarily for public employees or college and university  
16 professors: AND PROVIDED, FURTHER, That twenty-five or more employees  
17 of a single state agency, or a total of one hundred or more state  
18 employees of several agencies have authorized such a deduction for  
19 payment to the same professional organization.

20 (6) Labor or employee organization dues may be deducted in the  
21 event that a payroll deduction is not provided under a collective  
22 bargaining agreement under the provisions of RCW 41.06.150: PROVIDED,  
23 That twenty-five or more officers or employees of a single agency, or  
24 a total of one hundred or more officers or employees of several  
25 agencies have authorized such a deduction for payment to the same labor  
26 or employee organization: PROVIDED, FURTHER, That labor or employee  
27 organizations with five hundred or more members in state government may  
28 have payroll deduction for employee benefit programs.

29 (7) (~~Voluntary deductions for political committees duly registered~~  
30 ~~with the public disclosure commission and/or the federal election~~)

~~1 commission PROVIDED, That not more than five or more officers or employees  
2 of a single agency, or a total of one hundred or more officers or  
3 employees of several agencies have authorized such a deduction for  
4 payment to the same political committee~~

5 (3)) Insurance contributions to the authority for payment of  
6 premiums under contracts authorized by the state health care authority.

7 Deductions from salaries and wages of public officers and employees  
8 other than those enumerated in this section or by other law, may be  
9 authorized by the director of financial management for purposes clearly  
10 related to state employment or goals and objectives of the agency and  
11 for plans authorized by the state health care authority.

12 The authority to make deductions from the salaries and wages of  
13 public officers and employees as provided for in this section shall be  
14 in addition to such other authority as may be provided by law:  
15 PROVIDED, That the state or any department, division, or separate  
16 agency of the state shall not be liable to any insurance carrier or  
17 contractor for the failure to make or transmit any such deduction.

18 PART VI

19 POLITICAL EXPENDITURE AND CONTRIBUTION REPORTING

20 Sec. 27. INDEPENDENT EXPENDITURE ANNUAL REPORTING. RCW 42.17.180  
21 and 1990 c 139 s 4 are each amended to read as follows:

22 (1) Every employee of a lobbyist registered under this chapter  
23 during the preceding calendar year and every person other than an  
24 individual that made contributions aggregating to more than ten  
25 thousand dollars or independent expenditures aggregating to more than  
26 five hundred dollars during the preceding calendar year shall file with  
27 the commission or before (March 31st) the last day of February of

1 each year a statement disclosing for the preceding calendar year the  
2 following information:

3 (a) The name of each state elected official and the name of each  
4 candidate for state office who was elected to the office and any member  
5 of the immediate family of those persons to whom the ((~~employer~~))  
6 person reporting has paid any compensation in the amount of five  
7 hundred dollars or more during the preceding calendar year for personal  
8 employment or professional services, including professional services  
9 rendered by a corporation, partnership, joint venture, association,  
10 union, or other entity in which the person holds any office,  
11 directorship, or any general partnership interest, or an ownership  
12 interest of ten percent or more, the value of the compensation in  
13 accordance with the reporting provisions set out in RCW 42.17 241(2),  
14 and the consideration given or performed in exchange for the  
15 compensation.

16 (b) The name of each state elected official, successful candidate  
17 for state office, or members of his immediate family to whom the  
18 ((~~lobbyist-employer~~)) person reporting made expenditures, directly or  
19 indirectly, either through a lobbyist or otherwise, the amount of the  
20 expenditures and the purpose for the expenditures. For the purposes  
21 of this subsection, the term expenditure shall not include any  
22 expenditure made by the employer in the ordinary course of business if  
23 the expenditure is not made for the purpose of influencing, honoring,  
24 or benefiting the elected official, successful candidate, or member of  
25 his immediate family, as an elected official or candidate.

26 (c) The total expenditures made by the ((~~employer~~)) person  
27 reporting for lobbying purposes, whether through or on behalf of a  
28 registered lobbyist or otherwise.

29 (d) All contributions made to a ((~~candidate for state office, to~~)  
30 a) political committee supporting or opposing a candidate for state

1 office, or to a political committee supporting or opposing a state-  
2 wide ballot proposition. Such contributions shall be identified by the  
3 name and the address of the recipient and the aggregate amount  
4 contributed to each such recipient.

5 (e) The name and address of each registered lobbyist employed by  
6 the ((~~employer~~)) person reporting and the total expenditures made by  
7 ((~~the employer~~)) such person for each such lobbyist for lobbying  
8 purposes.

9 (f) The names, offices sought, and party affiliations of candidates  
10 for state offices supported or opposed by independent expenditures of  
11 the person reporting and the amount of each such expenditure.

12 (g) The identifying proposition number and a brief description of  
13 any state-wide ballot proposition supported or opposed by expenditures  
14 not reported under c) of this subsection and the amount of each such  
15 expenditure.

16 (h) Such other information as the commission prescribes by rule.

17 (2)(a) Except as provided in (b) of this subsection, an employer  
18 of a lobbyist registered under this chapter shall file a special report  
19 with the commission if the employer makes a contribution or  
20 contributions aggregating more than one hundred dollars in a calendar  
21 month to any one of the following: A candidate, elected official,  
22 officer or employee of an agency, or political committee. The report  
23 shall identify the date and amount of each such contribution and the  
24 name of the candidate, elected official, agency officer or employee,  
25 or political committee receiving the contribution or to be benefited  
26 by the contribution. The report shall be filed on a form prescribed  
27 by the commission and shall be filed within fifteen days after the last  
28 day of the calendar month during which the contribution was made.

1 (b) The provisions of (a) of this subsection do not apply to a  
2 contribution which is made through a registered lobbyist and reportable  
3 under RCW 42.17.170.

4 PART VII

5 PENALTIES

6 Sec. 28. PENALTIES. RCW 42.17.390 and 1973 c 1 s 39 are each  
7 amended to read as follows:

8 ~~((+))~~ One or more of the following civil remedies and sanctions  
9 may be imposed by court order in addition to any other remedies  
10 provided by law:

11 ~~((+))~~ (1) If the court finds that the violation of any provision  
12 of this chapter by any candidate or political committee probably  
13 affected the outcome of any election, the result of said election may  
14 be held void and a special election held within sixty days of such  
15 finding. Any action to void an election shall be commenced within one  
16 year of the date of the election in question. It is intended that this  
17 remedy be imposed freely in all appropriate cases to protect the  
18 of the electorate to an informed and knowledgeable vote.

19 ~~((+))~~ (2) If any lobbyist or sponsor of any grass roots lobbying  
20 campaign violates any of the provisions of this chapter, his  
21 registration may be revoked or suspended and he may be enjoined from  
22 receiving compensation or making expenditures for lobbying: PROVIDED,  
23 HOWEVER, That imposition of such sanction shall not excuse said  
24 lobbyist from filing statements and reports required by this chapter.

25 ~~((+))~~ (3) Any person who violates any of the provisions of this  
26 chapter may be subject to a civil penalty of not more than ten thousand  
27 dollars for each such violation. However, a person or entity who  
28 violates section 42.17.390 of this act may be subject to a civil penalty of ten

1 ten-dollar dollars or more fines the amount of the contribution  
2 illegally made or accepted, whichever is greater.

3 ((~~14~~)) (4) Any person who fails to file a properly completed  
4 statement or report within the time required by this chapter may be  
5 subject to a civil penalty of ten dollars per day for each day each  
6 such delinquency continues.

7 ((~~15~~)) (5) Any person who fails to report a contribution or  
8 expenditure may be subject to a civil penalty equivalent to the amount  
9 he failed to report.

10 ((~~16~~)) (6) The court may enjoin any person to prevent the doing  
11 of any act herein prohibited, or to compel the performance of any act  
12 required herein.

#### 13 PART VIII

#### 14 PUBLIC DISCLOSURE COMMISSION

15 NEW SECTION. Sec. 29. COMMISSION AUDITS. The commission shall  
16 conduct a sufficient number of audits and field investigations so as  
17 to provide a statistically valid finding regarding the degree of  
18 compliance with the provisions of this chapter by all required filers.

#### 19 PART IX

#### 20 GIFTS

21 NEW SECTION. Sec. 30. DEFINITIONS. Unless the context clearly  
22 requires otherwise, the definitions in this section apply throughout  
23 this chapter.

24 (1) "Benefit" means a commercial, proprietary, financial, economic,  
25 or monetary advantage, or the avoidance of a commercial, proprietary,  
26 financial, economic, or monetary disadvantage.

1 (2) "Gift" means a receiving of money, property, services,  
2 discount, loan forgiveness, payment of indebtedness, reimbursements  
3 from or payments by persons, other than the state of Washington or an  
4 agency or political subdivision thereof, for travel or anything else  
5 of value in excess of fifty dollars in return for which legal  
6 consideration of equal or greater value is not given and received but  
7 does not include:

8 (a) A contribution that is required to be reported under RCW  
9 42.17.090 or 42.17.240,

10 (b) Informational material that is transferred for the purpose of  
11 informing the recipient about matters pertaining to official agency  
12 business, and that is not intended to financially benefit that  
13 recipient;

14 (c) A symbolic presentation that is not intended to financially  
15 benefit the recipient;

16 (d) An honorarium that is required to be reported under this  
17 chapter;

18 (e) Hosting in the form of entertainment, meals, or refreshments,  
19 the value of which does not exceed fifty dollars, furnished in  
20 connection with official appearances, official ceremonies, and  
21 occasions where official agency business is discussed;

22 (f) Gifts that are not used and that, within thirty days after  
23 receipt, are returned to the donor or delivered to a charitable  
24 organization without being claimed as a charitable contribution for  
25 tax purposes;

26 (g) Intrafamily gifts; or

27 (h) Gifts received in the normal course of private business or  
28 social interaction that are not related to public policy decisions or  
29 agency actions.

Sec. 31. PUBLIC OFFICIAL ANNUAL REPORTING OF GIFTS

42.17.240 and 1989 c 153 s 1 are each amended to read as follows.

(1) Every elected official and every executive state officer shall after January 1st and before April 15th of each year file with the commission a statement of financial affairs for the preceding calendar year. However, any local elected official whose term of office expires immediately after December 31st shall file the statement required to be filed by this section for the year that ended on that December 31st.

In addition to and in conjunction with the statement of financial affairs, every official and officer shall file a statement describing any gifts received during the preceding calendar year.

(2) Every candidate shall within two weeks of becoming a candidate file with the commission a statement of financial affairs for the preceding twelve months.

(3) Every person appointed to a vacancy in an elective office or executive state officer position shall within two weeks of being so appointed file with the commission a statement of financial affairs for the preceding twelve months.

(4) A statement of a candidate or appointee filed during the period from January 1st to April 15th shall cover the period from January 1st of the preceding calendar year to the time of candidacy or appointment if the filing of the statement would relieve the individual of a prior obligation to file a statement covering the entire preceding calendar year.

(5) No individual may be required to file more than once in any calendar year.

(6) Each statement of financial affairs filed under this section shall be sworn as to its truth and accuracy.

(7) For the purposes of this section, the term "executive state officer" includes those listed in FCW 42.17.2401.

1 (3) This section does not apply to precincts or candidates for a  
2 federal office or the office of precinct committee officer.

3 NEW SECTION. Sec. 32. LOBBYIST NOTIFICATION OF GIFTS. When a  
4 listing or a report of contributions is made to the commission under  
5 RCW 42.17.170(2)(c), a copy of the listing or report must be given to  
6 the candidate, elected official, professional staff member of the  
7 legislature, or officer or employee of an agency, or a political  
8 committee supporting or opposing a ballot proposition named in the  
9 listing or report.

10 PART X  
11 MISCELLANEOUS

12 NEW SECTION. Sec. 33. CODIFICATION DIRECTIONS. (1) Sections 1  
13 through 19 of this act are each added to chapter 42.17 RCW as a  
14 subchapter and codified with the subchapter heading of "CAMPAIGN  
15 CONTRIBUTION LIMITATIONS."

16 (2) Sections 23 through 25, 29, 30, and 32 of this act are each  
17 added to chapter 42.17 RCW.

18 NEW SECTION. Sec. 34. CAPTIONS. Section captions and part  
19 headings used in this act do not constitute any part of the law.

20 NEW SECTION. Sec. 35. REPEALER. RCW 42.17.243 and 1977 ex.s. c  
21 336 s 5 are each repealed.

22 NEW SECTION. Sec. 36. SHORT TITLE. This act may be known and  
23 cited as the Fair Campaign Practices Act.