
HOUSE BILL 2256

State of Washington 64th Legislature 2015 1st Special Session

By Representatives Bergquist and S. Hunt

Read first time 05/08/15. Referred to Committee on State Government.

1 AN ACT Relating to increasing transparency of incidental and
2 undisclosed campaign contributions; amending RCW 42.17A.235,
3 42.17A.240, and 42.17A.250; reenacting and amending RCW 42.17A.005;
4 adding new sections to chapter 42.17A RCW; and creating new sections.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that the public has
7 the right to know who is contributing to election campaigns in
8 Washington state and that campaign finance disclosure deters
9 corruption, increases public confidence in Washington state
10 elections, and strengthens our representative democracy.

11 The legislature finds that campaign finance disclosure is
12 overwhelmingly supported by the citizens of Washington state as
13 evidenced by the two initiatives that largely established
14 Washington's current campaign finance system. Both passed with over
15 seventy-two percent of the popular vote, as well as winning margins
16 in every county in the state.

17 The legislature finds that nonprofit organizations are
18 increasingly engaging in campaign activities in Washington state and
19 across the country, including taking a more active role in
20 contributing to candidate and ballot proposition campaigns. In some

1 cases, these activities are occurring without adequate public
2 disclosure due to loopholes in campaign finance regulations.

3 Therefore, the legislature intends to increase transparency and
4 accountability, deter corruption, and strengthen confidence in the
5 election process by closing campaign finance disclosure loopholes and
6 requiring the disclosure of contributions and expenditures by
7 nonprofit organizations that participate significantly in Washington
8 state elections.

9 **Sec. 2.** RCW 42.17A.005 and 2011 c 145 s 2 and 2011 c 60 s 19 are
10 each reenacted and amended to read as follows:

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

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

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

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

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

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

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

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

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

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

9 (7) "Candidate" means any individual who seeks nomination for
10 election or election to public office. An individual seeks nomination
11 or election when he or she first:

12 (a) Receives contributions or makes expenditures or reserves
13 space or facilities with intent to promote his or her candidacy for
14 office;

15 (b) Announces publicly or files for office;

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

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

21 (8) "Caucus political committee" means a political committee
22 organized and maintained by the members of a major political party in
23 the state senate or state house of representatives.

24 (9) "Commercial advertiser" means any person who sells the
25 service of communicating messages or producing printed material for
26 broadcast or distribution to the general public or segments of the
27 general public whether through the use of newspapers, magazines,
28 television and radio stations, billboard companies, direct mail
29 advertising companies, printing companies, or otherwise.

30 (10) "Commission" means the agency established under RCW
31 42.17A.100.

32 (11) "Compensation" unless the context requires a narrower
33 meaning, includes payment in any form for real or personal property
34 or services of any kind. For the purpose of compliance with RCW
35 42.17A.710, "compensation" does not include per diem allowances or
36 other payments made by a governmental entity to reimburse a public
37 official for expenses incurred while the official is engaged in the
38 official business of the governmental entity.

1 (12) "Continuing political committee" means a political committee
2 that is an organization of continuing existence not established in
3 anticipation of any particular election campaign.

4 (13)(a) "Contribution" includes:

5 (i) A loan, gift, deposit, subscription, forgiveness of
6 indebtedness, donation, advance, pledge, payment, transfer of funds
7 between political committees, or anything of value, including
8 personal and professional services for less than full consideration;

9 (ii) An expenditure made by a person in cooperation,
10 consultation, or concert with, or at the request or suggestion of, a
11 candidate, a political committee, the person or persons named on the
12 candidate's or committee's registration form who direct expenditures
13 on behalf of the candidate or committee, or their agents;

14 (iii) The financing by a person of the dissemination,
15 distribution, or republication, in whole or in part, of broadcast,
16 written, graphic, or other form of political advertising or
17 electioneering communication prepared by a candidate, a political
18 committee, or its authorized agent;

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

22 (b) "Contribution" does not include:

23 (i) Standard interest on money deposited in a political
24 committee's account;

25 (ii) Ordinary home hospitality;

26 (iii) A contribution received by a candidate or political
27 committee that is returned to the contributor within five business
28 days of the date on which it is received by the candidate or
29 political committee;

30 (iv) A news item, feature, commentary, or editorial in a
31 regularly scheduled news medium that is of primary interest to the
32 general public, that is in a news medium controlled by a person whose
33 business is that news medium, and that is not controlled by a
34 candidate or a political committee;

35 (v) An internal political communication primarily limited to the
36 members of or contributors to a political party organization or
37 political committee, or to the officers, management staff, or
38 stockholders of a corporation or similar enterprise, or to the
39 members of a labor organization or other membership organization;

1 (vi) The rendering of personal services of the sort commonly
2 performed by volunteer campaign workers, or incidental expenses
3 personally incurred by volunteer campaign workers not in excess of
4 fifty dollars personally paid for by the worker. "Volunteer
5 services," for the purposes of this subsection, means services or
6 labor for which the individual is not compensated by any person;

7 (vii) Messages in the form of reader boards, banners, or yard or
8 window signs displayed on a person's own property or property
9 occupied by a person. However, a facility used for such political
10 advertising for which a rental charge is normally made must be
11 reported as an in-kind contribution and counts towards any applicable
12 contribution limit of the person providing the facility;

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

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

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

21 (ix) The performance of ministerial functions by a person on
22 behalf of two or more candidates or political committees either as
23 volunteer services defined in (b)(vi) of this subsection or for
24 payment by the candidate or political committee for whom the services
25 are performed as long as:

26 (A) The person performs solely ministerial functions;

27 (B) A person who is paid by two or more candidates or political
28 committees is identified by the candidates and political committees
29 on whose behalf services are performed as part of their respective
30 statements of organization under RCW 42.17A.205; and

31 (C) The person does not disclose, except as required by law, any
32 information regarding a candidate's or committee's plans, projects,
33 activities, or needs, or regarding a candidate's or committee's
34 contributions or expenditures that is not already publicly available
35 from campaign reports filed with the commission, or otherwise engage
36 in activity that constitutes a contribution under (a)(ii) of this
37 subsection.

38 A person who performs ministerial functions under this subsection
39 (13)(b)(ix) is not considered an agent of the candidate or committee

1 as long as he or she has no authority to authorize expenditures or
2 make decisions on behalf of the candidate or committee.

3 (c) Contributions other than money or its equivalent are deemed
4 to have a monetary value equivalent to the fair market value of the
5 contribution. Services or property or rights furnished at less than
6 their fair market value for the purpose of assisting any candidate or
7 political committee are deemed a contribution. Such a contribution
8 must be reported as an in-kind contribution at its fair market value
9 and counts towards any applicable contribution limit of the provider.

10 (14) "Depository" means a bank, mutual savings bank, savings and
11 loan association, or credit union doing business in this state.

12 (15) "Elected official" means any person elected at a general or
13 special election to any public office, and any person appointed to
14 fill a vacancy in any such office.

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

22 (17) "Election campaign" means any campaign in support of or in
23 opposition to a candidate for election to public office and any
24 campaign in support of, or in opposition to, a ballot proposition.

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

32 (19)(a) "Electioneering communication" means any broadcast,
33 cable, or satellite television or radio transmission, United States
34 postal service mailing, billboard, newspaper, or periodical that:

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

38 (ii) Is broadcast, transmitted, mailed, erected, distributed, or
39 otherwise published within sixty days before any election for that

1 office in the jurisdiction in which the candidate is seeking
2 election; and

3 (iii) Either alone, or in combination with one or more
4 communications identifying the candidate by the same sponsor during
5 the sixty days before an election, has a fair market value of one
6 thousand dollars or more.

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

8 (i) Usual and customary advertising of a business owned by a
9 candidate, even if the candidate is mentioned in the advertising when
10 the candidate has been regularly mentioned in that advertising
11 appearing at least twelve months preceding his or her becoming a
12 candidate;

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

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

19 (A) Of primary interest to the general public;

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

22 (C) Not a medium controlled by a candidate or a political
23 committee;

24 (iv) Slate cards and sample ballots;

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

26 (A) written by a candidate when the candidate entered into a contract
27 for such publications or media at least twelve months before becoming
28 a candidate, or (B) written about a candidate;

29 (vi) Public service announcements;

30 (vii) A mailed internal political communication primarily limited
31 to the members of or contributors to a political party organization
32 or political committee, or to the officers, management staff, or
33 stockholders of a corporation or similar enterprise, or to the
34 members of a labor organization or other membership organization;

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

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

39 (20) "Expenditure" includes a payment, contribution,
40 subscription, distribution, loan, advance, deposit, or gift of money

1 or anything of value, and includes a contract, promise, or agreement,
2 whether or not legally enforceable, to make an expenditure.
3 "Expenditure" also includes a promise to pay, a payment, or a
4 transfer of anything of value in exchange for goods, services,
5 property, facilities, or anything of value for the purpose of
6 assisting, benefiting, or honoring any public official or candidate,
7 or assisting in furthering or opposing any election campaign. For the
8 purposes of this chapter, agreements to make expenditures, contracts,
9 and promises to pay may be reported as estimated obligations until
10 actual payment is made. "Expenditure" (~~shall~~) does not include the
11 partial or complete repayment by a candidate or political committee
12 of the principal of a loan, the receipt of which loan has been
13 properly reported.

14 (21) "Final report" means the report described as a final report
15 in RCW 42.17A.235(2).

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

19 (23) "Gift" has the definition in RCW 42.52.010.

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

31 (25)(a) "Incidental committee" means any nonprofit organization
32 not otherwise defined as a political committee but that may
33 incidentally make a contribution or an expenditure in support of, or
34 opposition to, any candidate or any ballot proposition in Washington,
35 directly or through a political committee.

36 (b) "Incidental committee" does not include any organization
37 registered under section 527 of the internal revenue code of 1986
38 that files:

39 (i) Disclosure reports as a political committee with the public
40 disclosure commission;

1 (ii) Disclosure reports with the federal elections commission at
2 least as frequently as required for incidental committees under this
3 chapter; or

4 (iii) Public filings with the internal revenue service at least
5 as frequently as required for incidental committees under this
6 chapter.

7 (26) "Incumbent" means a person who is in present possession of
8 an elected office.

9 ~~((+26))~~ (27) "Independent expenditure" means an expenditure that
10 has each of the following elements:

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

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

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

32 ~~((+27))~~ (28)(a) "Intermediary" means an individual who transmits
33 a contribution to a candidate or committee from another person unless
34 the contribution is from the individual's employer, immediate family,
35 or an association to which the individual belongs.

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

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

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

3 ~~((+28))~~ (29) "Legislation" means bills, resolutions, motions,
4 amendments, nominations, and other matters pending or proposed in
5 either house of the state legislature, and includes any other matter
6 that may be the subject of action by either house or any committee of
7 the legislature and all bills and resolutions that, having passed
8 both houses, are pending approval by the governor.

9 ~~((+29))~~ (30) "Legislative office" means the office of a member
10 of the state house of representatives or the office of a member of
11 the state senate.

12 ~~((+30))~~ (31) "Lobby" and "lobbying" each mean attempting to
13 influence the passage or defeat of any legislation by the legislature
14 of the state of Washington, or the adoption or rejection of any rule,
15 standard, rate, or other legislative enactment of any state agency
16 under the state administrative procedure act, chapter 34.05 RCW.
17 Neither "lobby" nor "lobbying" includes an association's or other
18 organization's act of communicating with the members of that
19 association or organization.

20 ~~((+31))~~ (32) "Lobbyist" includes any person who lobbies either
21 in his or her own or another's behalf.

22 ~~((+32))~~ (33) "Lobbyist's employer" means the person or persons
23 by whom a lobbyist is employed and all persons by whom he or she is
24 compensated for acting as a lobbyist.

25 ~~((+33))~~ (34) "Ministerial functions" means an act or duty
26 carried out as part of the duties of an administrative office without
27 exercise of personal judgment or discretion.

28 ~~((+34))~~ (35) "Participate" means that, with respect to a
29 particular election, an entity:

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

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

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

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

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

8 ~~((+35))~~ (36) "Person" includes an individual, partnership, joint
9 venture, public or private corporation, association, federal, state,
10 or local governmental entity or agency however constituted,
11 candidate, committee, political committee, political party, executive
12 committee thereof, or any other organization or group of persons,
13 however organized.

14 ~~((+36))~~ (37) "Political advertising" includes any advertising
15 displays, newspaper ads, billboards, signs, brochures, articles,
16 tabloids, flyers, letters, radio or television presentations, or
17 other means of mass communication, used for the purpose of appealing,
18 directly or indirectly, for votes or for financial or other support
19 or opposition in any election campaign.

20 ~~((+37))~~ (38) "Political committee" means any person (except a
21 candidate or an individual dealing with his or her own funds or
22 property), organized or located inside or outside the state, having
23 the expectation of receiving contributions or making expenditures in
24 support of, or opposition to, any candidate or any ballot proposition
25 in Washington.

26 ~~((+38))~~ (39) "Primary" for the purposes of RCW 42.17A.405 means
27 the procedure for nominating a candidate to state or local office
28 under chapter 29A.52 RCW or any other primary for an election that
29 uses, in large measure, the procedures established in chapter 29A.52
30 RCW.

31 ~~((+39))~~ (40) "Public office" means any federal, state, judicial,
32 county, city, town, school district, port district, special district,
33 or other state political subdivision elective office.

34 ~~((+40))~~ (41) "Public record" has the definition in RCW
35 42.56.010.

36 ~~((+41))~~ (42) "Recall campaign" means the period of time
37 beginning on the date of the filing of recall charges under RCW
38 29A.56.120 and ending thirty days after the recall election.

39 ~~((+42))~~ (43)(a) "Sponsor" for purposes of an electioneering
40 communications, independent expenditures, or political advertising

1 means the person paying for the electioneering communication,
2 independent expenditure, or political advertising. If a person acts
3 as an agent for another or is reimbursed by another for the payment,
4 the original source of the payment is the sponsor.

5 (b) "Sponsor," for purposes of a political committee, means any
6 person, except an authorized committee, to whom any of the following
7 applies:

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

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

14 (~~(43)~~) (44) "Sponsored committee" means a committee, other than
15 an authorized committee, that has one or more sponsors.

16 (~~(44)~~) (45) "State office" means state legislative office or
17 the office of governor, lieutenant governor, secretary of state,
18 attorney general, commissioner of public lands, insurance
19 commissioner, superintendent of public instruction, state auditor, or
20 state treasurer.

21 (~~(45)~~) (46) "State official" means a person who holds a state
22 office.

23 (~~(46)~~) (47) "Surplus funds" mean, in the case of a political
24 committee or candidate, the balance of contributions that remain in
25 the possession or control of that committee or candidate subsequent
26 to the election for which the contributions were received, and that
27 are in excess of the amount necessary to pay remaining debts incurred
28 by the committee or candidate with respect to that election. In the
29 case of a continuing political committee, "surplus funds" mean those
30 contributions remaining in the possession or control of the committee
31 that are in excess of the amount necessary to pay all remaining debts
32 when it makes its final report under RCW 42.17A.255.

33 (~~(47)~~) (48) "Treasurer" and "deputy treasurer" mean the
34 individuals appointed by a candidate or political committee, pursuant
35 to RCW 42.17A.210, to perform the duties specified in that section.

36 NEW SECTION. **Sec. 3.** A new section is added to chapter 42.17A
37 RCW to read as follows:

38 The commission shall provide a link on its web site to a
39 searchable database on the web site of the federal election

1 commission containing information on organizations under section 527
2 of the internal revenue code of 1986.

3 NEW SECTION. **Sec. 4.** A new section is added to chapter 42.17A
4 RCW to read as follows:

5 (1)(a) An incidental committee must file a statement of
6 organization with the commission within two weeks after the date the
7 committee first:

8 (i) Has the expectation of making contributions or expenditures
9 of at least twenty-five thousand dollars in a calendar year in any
10 election campaign, or to a political committee; and

11 (ii) Must disclose a received contribution under RCW
12 42.17A.240(2)(d).

13 (b) If an incidental committee first meets the criteria requiring
14 filing a statement of organization as specified in (a) of this
15 subsection in the last three weeks before an election, then it must
16 file the statement of organization within three business days.

17 (c) An incidental committee that does not make contributions or
18 expenditures in the amounts specified in (a) of this subsection is
19 not required to file a statement of organization with the commission.

20 (2) The statement of organization shall include but not be
21 limited to:

22 (a) The name and address of the committee;

23 (b) The names and addresses of all related or affiliated
24 political or incidental committees or other persons, and the nature
25 of the relationship or affiliation;

26 (c) The names, addresses, and titles of its officers; or if it
27 has no officers, the names, addresses, and titles of its responsible
28 leaders and the name of the person designated as the treasurer of the
29 incidental committee;

30 (d) The name, office sought, and party affiliation of each
31 candidate whom the committee is supporting or opposing if the
32 committee contributes directly to a candidate and, if donating to a
33 political committee, the name and address of that political
34 committee;

35 (e) The ballot proposition concerned, if any, and whether the
36 committee is in favor of or opposed to such proposition; and

37 (f) Such other information as the commission may by rule
38 prescribe, in keeping with the policies and purposes of this chapter.

1 (3) Any material change in information previously submitted in a
2 statement of organization shall be reported to the commission within
3 the ten days following the change.

4 **Sec. 5.** RCW 42.17A.235 and 2015 c 54 s 1 are each amended to
5 read as follows:

6 (1) In addition to the information required under RCW 42.17A.205
7 and 42.17A.210, on the day the treasurer is designated, each
8 candidate or political committee must file with the commission a
9 report of all contributions received and expenditures made prior to
10 that date, if any. In addition to the information required under RCW
11 42.17A.205 and 42.17A.210 on the day an incidental committee files a
12 statement of organization with the commission, each incidental
13 committee must file with the commission a report of any expenditures
14 under RCW 42.17A.240(6), as well as the ten largest aggregate
15 contributions received in the current calendar year from a single
16 person of ten thousand dollars or greater, including any persons tied
17 as the tenth largest source of contributions received, if any, and
18 all aggregate contributions received in the current calendar year
19 from a single person with a value of one hundred thousand dollars or
20 greater.

21 (2) Each treasurer of a political committee, or incidental
22 committee required to file a statement of organization under this
23 chapter shall file with the commission a report containing the
24 information required by RCW 42.17A.240 at the following intervals:

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

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

28 (c) On the tenth day of each month in which no other reports are
29 required to be filed under this section:

30 (i) For a political committee, only if the committee has received
31 a contribution or made an expenditure in the preceding calendar month
32 and either the total contributions received or total expenditures
33 made since the last such report exceed two hundred dollars; or

34 (ii) For an incidental committee, only if the committee has:

35 (A) Received a contribution that would change the information
36 required under RCW 42.17A.240(2)(d) as included in its last report;

37 or

1 (B) Made any expenditure reportable under RCW 42.17A.240(6) since
2 its last report, and the total expenditures made since the last
3 report exceed two hundred dollars.

4 The report filed twenty-one days before the election shall report
5 all contributions received and expenditures made as of the end of one
6 business day before the date of the report. The report filed seven
7 days before the election shall report all contributions received and
8 expenditures made as of the end of one business day before the date
9 of the report. Reports filed on the tenth day of the month shall
10 report all contributions received and expenditures made from the
11 closing date of the last report filed through the last day of the
12 month preceding the date of the current report.

13 (3) For the period beginning the first day of the fourth month
14 preceding the date of the special election, or for the period
15 beginning the first day of the fifth month before the date of the
16 general election, and ending on the date of that special or general
17 election, each Monday the treasurer of a political committee shall
18 file with the commission a report of each bank deposit made during
19 the previous seven calendar days. The report shall contain the name
20 of each person contributing the funds and the amount contributed by
21 each person. However, persons who contribute no more than twenty-five
22 dollars in the aggregate are not required to be identified in the
23 report. A copy of the report shall be retained by the treasurer for
24 his or her records. In the event of deposits made by a deputy
25 treasurer, the copy shall be forwarded to the treasurer for his or
26 her records. Each report shall be certified as correct by the
27 treasurer or deputy treasurer making the deposit.

28 (4)(a) The treasurer or candidate of a political committee shall
29 maintain books of account accurately reflecting all contributions and
30 expenditures on a current basis within five business days of receipt
31 or expenditure. During the eight days immediately preceding the date
32 of the election the books of account shall be kept current within one
33 business day. As specified in the committee's statement of
34 organization filed under RCW 42.17A.205, the books of account must be
35 open for public inspection by appointment at the designated place for
36 inspections between 8:00 a.m. and 8:00 p.m. on any day from the
37 eighth day immediately before the election through the day
38 immediately before the election, other than Saturday, Sunday, or a
39 legal holiday. It is a violation of this chapter for a candidate or
40 political committee to refuse to allow and keep an appointment for an

1 inspection to be conducted during these authorized times and days.
2 The appointment must be allowed at an authorized time and day for
3 such inspections that is within twenty-four hours of the time and day
4 that is requested for the inspection.

5 (b) At the time of making the appointment, a person wishing to
6 inspect the books of account must provide the treasurer the name and
7 telephone number of the person wishing to inspect the books of
8 account. The person inspecting the books of account must show photo
9 identification before the inspection begins.

10 (c) A treasurer may refuse to show the books of account to any
11 person who does not make an appointment or provide the required
12 identification.

13 (5) Copies of all reports filed pursuant to this section shall be
14 readily available for public inspection by appointment, pursuant to
15 subsection (4) of this section, at the principal headquarters or, if
16 there is no headquarters, at the address of the treasurer or such
17 other place as may be authorized by the commission.

18 (6) The treasurer or candidate shall preserve books of account,
19 bills, receipts, and all other financial records of the campaign or
20 political committee for not less than five calendar years following
21 the year during which the transaction occurred.

22 (7) All reports filed pursuant to subsection (1) or (2) of this
23 section shall be certified as correct by the candidate and the
24 treasurer.

25 (8) When there is no outstanding debt or obligation, the campaign
26 fund is closed, and the campaign is concluded in all respects or in
27 the case of a political committee, the committee has ceased to
28 function and has dissolved, the treasurer shall file a final report.
29 Upon submitting a final report, the duties of the treasurer shall
30 cease and there is no obligation to make any further reports.

31 (9) By December 31, 2015, the commission shall adopt rules for
32 the dissolution of incidental committees.

33 **Sec. 6.** RCW 42.17A.240 and 2010 c 204 s 409 are each amended to
34 read as follows:

35 Each report required under RCW 42.17A.235 (1) and (2) must be
36 certified as correct by the treasurer and the candidate and shall
37 disclose the following:

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

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

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

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

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

19 (d) Contributions received by an incidental committee from any
20 one person need not be reported unless:

21 (i) The person is one of the committee's ten largest sources of
22 contributions received, including any persons tied as the tenth
23 largest source of contributions received, during the current calendar
24 year, and the value of the aggregate contributions received from that
25 person during the current calendar year is ten thousand dollars or
26 greater; or

27 (ii) The person contributed a value of one hundred thousand
28 dollars or more to the incidental committee during the current
29 calendar year;

30 (e) The commission may suspend or modify reporting requirements
31 for contributions received by an incidental committee in cases of
32 manifestly unreasonable hardship under RCW 42.17A.120; and

33 (f) The money value of contributions of postage (~~shall be~~) is
34 the face value of the postage;

35 (3) Each loan, promissory note, or security instrument to be used
36 by or for the benefit of the candidate or political committee made by
37 any person, including the names and addresses of the lender and each
38 person liable directly, indirectly or contingently and the date and
39 amount of each such loan, promissory note, or security instrument;

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

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

4 (6) The name and address of each person to whom an expenditure
5 was made in the aggregate amount of more than fifty dollars during
6 the period covered by this report, the amount, date, and purpose of
7 each expenditure, and the total sum of all expenditures. An
8 incidental committee only must report on such expenditures that were
9 made in support of or in opposition to any election campaign or to a
10 political committee;

11 (7) The name and address of each person directly compensated for
12 soliciting or procuring signatures on an initiative or referendum
13 petition, the amount of the compensation to each person, and the
14 total expenditures made for this purpose. Such expenditures shall be
15 reported under this subsection in addition to what is required to be
16 reported under subsection (6) of this section;

17 (8) The name and address of any person and the amount owed for
18 any debt, obligation, note, unpaid loan, or other liability in the
19 amount of more than two hundred fifty dollars or in the amount of
20 more than fifty dollars that has been outstanding for over thirty
21 days;

22 (9) The surplus or deficit of contributions over expenditures;

23 (10) The disposition made in accordance with RCW 42.17A.430 of
24 any surplus funds; and

25 (11) Any other information required by the commission by rule in
26 conformance with the policies and purposes of this chapter.

27 **Sec. 7.** RCW 42.17A.250 and 2010 c 204 s 411 are each amended to
28 read as follows:

29 ~~((1) An out-of-state))~~ A political committee ~~((organized for the~~
30 ~~purpose of supporting or opposing candidates or ballot propositions~~
31 ~~in another state that is not otherwise required to report under RCW~~
32 ~~42.17A.205 through 42.17A.240 shall report as required in this~~
33 ~~section when it makes an expenditure supporting or opposing a~~
34 ~~Washington state candidate or political committee. The committee~~
35 ~~shall file with the commission a statement disclosing:~~

36 ~~(a) Its name and address;~~

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

1 ~~(c) The names, addresses, and titles of its officers or, if it~~
2 ~~has no officers, the names, addresses, and the titles of its~~
3 ~~responsible leaders;~~

4 ~~(d) The name, office sought, and party affiliation of each~~
5 ~~candidate in the state of Washington whom the out-of-state committee~~
6 ~~is supporting or opposing and, if the committee is supporting or~~
7 ~~opposing the entire ticket of any party, the name of the party;~~

8 ~~(e) The ballot proposition supported or opposed in the state of~~
9 ~~Washington, if any, and whether the committee is in favor of or~~
10 ~~opposed to that proposition;~~

11 ~~(f) The name and address of each person residing in the state of~~
12 ~~Washington or corporation that has a place of business in the state~~
13 ~~of Washington who has made one or more contributions in the aggregate~~
14 ~~of more than twenty five dollars to the out-of-state committee during~~
15 ~~the current calendar year, together with the money value and date of~~
16 ~~the contributions;~~

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

28 ~~(h) The name and address of each person in the state of~~
29 ~~Washington to whom an expenditure was made by the out-of-state~~
30 ~~committee with respect to a candidate or political committee in the~~
31 ~~aggregate amount of more than fifty dollars, the amount, date, and~~
32 ~~purpose of the expenditure, and the total sum of the expenditures;~~
33 ~~and~~

34 ~~(i) Any other information as the commission may prescribe by rule~~
35 ~~in keeping with the policies and purposes of this chapter.~~

36 ~~(2) Each statement shall be filed no later than the tenth day of~~
37 ~~the month following any month in which a contribution or other~~
38 ~~expenditure reportable under subsection (1) of this section is made.~~
39 ~~An out-of-state committee incurring an obligation to file additional~~
40 ~~statements in a calendar year may satisfy the obligation by timely~~

1 ~~filing reports that supplement previously filed information))~~ or
2 incidental committee organized outside the state of Washington is
3 subject to the same requirements under this chapter as a political
4 committee or incidental committee organized in the state of
5 Washington.

6 NEW SECTION. **Sec. 8.** This act may be known and cited as the
7 elimination of undisclosed campaign contributions act.

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

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