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SENATE BILL 5483

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State of Washington

64th Legislature

2015 Regular Session

By Senators Roach, Billig, and Hasegawa

Read first time 01/22/15. Referred to Committee on Government Operations & State Security.

1 AN ACT Relating to fund sharing between political committees; and  
2 reenacting and amending RCW 42.17A.005.

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

4 **Sec. 1.** RCW 42.17A.005 and 2011 c 145 s 2 and 2011 c 60 s 19 are  
5 each reenacted and amended to read as follows:

6 The definitions in this section apply throughout this chapter  
7 unless the context clearly requires otherwise.

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

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

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

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

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

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

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

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

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

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

25 (a) Receives contributions or makes expenditures or reserves  
26 space or facilities with intent to promote his or her candidacy for  
27 office;

28 (b) Announces publicly or files for office;

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

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

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

37 (9) "Commercial advertiser" means any person who sells the  
38 service of communicating messages or producing printed material for  
39 broadcast or distribution to the general public or segments of the  
40 general public whether through the use of newspapers, magazines,

1 television and radio stations, billboard companies, direct mail  
2 advertising companies, printing companies, or otherwise.

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

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

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

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

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

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

25 (iii) The financing by a person of the dissemination,  
26 distribution, or republication, in whole or in part, of broadcast,  
27 written, graphic, or other form of political advertising or  
28 electioneering communication prepared by a candidate, a political  
29 committee, or its authorized agent;

30 (iv) Sums paid for tickets to fund-raising events such as dinners  
31 and parties, except for the actual cost of the consumables furnished  
32 at the event;

33 (v) The payment in full, by a candidate or political committee,  
34 of a joint campaign expense in the amount of the joint campaign  
35 expense incurred by the nonpaying candidate or political committee.

36 (b) "Contribution" does not include:

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

39 (ii) Ordinary home hospitality;

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

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

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

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

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

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

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

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

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

40 (A) The person performs solely ministerial functions;

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

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

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

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

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

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

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

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

38 (18) "Election cycle" means the period beginning on the first day  
39 of January after the date of the last previous general election for  
40 the office that the candidate seeks and ending on December 31st after

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

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

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

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

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

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

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

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

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

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

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

34 (C) Not a medium controlled by a candidate or a political  
35 committee;

36 (iv) Slate cards and sample ballots;

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

1 (vi) Public service announcements;

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

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

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

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

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

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

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

32 (24) "Immediate family" includes the spouse or domestic partner,  
33 dependent children, and other dependent relatives, if living in the  
34 household. For the purposes of the definition of "intermediary" in  
35 this section, "immediate family" means an individual's spouse or  
36 domestic partner, and child, stepchild, grandchild, parent,  
37 stepparent, grandparent, brother, half brother, sister, or half  
38 sister of the individual and the spouse or the domestic partner of  
39 any such person and a child, stepchild, grandchild, parent,  
40 stepparent, grandparent, brother, half brother, sister, or half

1 sister of the individual's spouse or domestic partner and the spouse  
2 or the domestic partner of any such person.

3 (25) "Incumbent" means a person who is in present possession of  
4 an elected office.

5 (26) "Independent expenditure" means an expenditure that has each  
6 of the following elements:

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

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

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

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

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

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

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

39 (28) "Legislation" means bills, resolutions, motions, amendments,  
40 nominations, and other matters pending or proposed in either house of

1 the state legislature, and includes any other matter that may be the  
2 subject of action by either house or any committee of the legislature  
3 and all bills and resolutions that, having passed both houses, are  
4 pending approval by the governor.

5 (29) "Legislative office" means the office of a member of the  
6 state house of representatives or the office of a member of the state  
7 senate.

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

16 (31) "Lobbyist" includes any person who lobbies either in his or  
17 her own or another's behalf.

18 (32) "Lobbyist's employer" means the person or persons by whom a  
19 lobbyist is employed and all persons by whom he or she is compensated  
20 for acting as a lobbyist.

21 (33) "Ministerial functions" means an act or duty carried out as  
22 part of the duties of an administrative office without exercise of  
23 personal judgment or discretion.

24 (34) "Participate" means that, with respect to a particular  
25 election, an entity:

26 (a) Makes either a monetary or in-kind contribution to a  
27 candidate;

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

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

33 (d) Makes a recommendation regarding whether a candidate should  
34 be supported or opposed before a contribution is made by a subsidiary  
35 corporation or local unit with respect to that candidate or that  
36 candidate's opponent; or

37 (e) Directly or indirectly collaborates or consults with a  
38 subsidiary corporation or local unit on matters relating to the  
39 support of or opposition to a candidate, including, but not limited  
40 to, the amount of a contribution, when a contribution should be

1 given, and what assistance, services or independent expenditures, or  
2 electioneering communications, if any, will be made or should be made  
3 in support of or opposition to a candidate.

4 (35) "Person" includes an individual, partnership, joint venture,  
5 public or private corporation, association, federal, state, or local  
6 governmental entity or agency however constituted, candidate,  
7 committee, political committee, political party, executive committee  
8 thereof, or any other organization or group of persons, however  
9 organized.

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

16 (37) "Political committee" means any person (except a candidate  
17 or an individual dealing with his or her own funds or property)  
18 having the expectation of receiving contributions or making  
19 expenditures in support of, or opposition to, any candidate or any  
20 ballot proposition.

21 (38) "Primary" for the purposes of RCW 42.17A.405 means the  
22 procedure for nominating a candidate to state or local office under  
23 chapter 29A.52 RCW or any other primary for an election that uses, in  
24 large measure, the procedures established in chapter 29A.52 RCW.

25 (39) "Public office" means any federal, state, judicial, county,  
26 city, town, school district, port district, special district, or  
27 other state political subdivision elective office.

28 (40) "Public record" has the definition in RCW 42.56.010.

29 (41) "Recall campaign" means the period of time beginning on the  
30 date of the filing of recall charges under RCW 29A.56.120 and ending  
31 thirty days after the recall election.

32 (42)(a) "Sponsor" for purposes of an electioneering  
33 communications, independent expenditures, or political advertising  
34 means the person paying for the electioneering communication,  
35 independent expenditure, or political advertising. If a person acts  
36 as an agent for another or is reimbursed by another for the payment,  
37 the original source of the payment is the sponsor.

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

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

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

7 (43) "Sponsored committee" means a committee, other than an  
8 authorized committee, that has one or more sponsors.

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

14 (45) "State official" means a person who holds a state office.

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

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

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