
HOUSE BILL 2563

State of Washington

64th Legislature

2016 Regular Session

By Representatives S. Hunt, Moeller, Jinkins, and Pollet; by request of Public Disclosure Commission

Read first time 01/15/16. Referred to Committee on State Government.

1 AN ACT Relating to electronic filing requirements for campaign-
2 related expenditures and contributions; and amending RCW 42.17A.245,
3 42.17A.260, 42.17A.055, 42.17A.255, 42.17A.265, 42.17A.600,
4 42.17A.615, 42.17A.630, and 42.17A.700.

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

6 **Sec. 1.** RCW 42.17A.245 and 2011 c 145 s 4 are each amended to
7 read as follows:

8 (1) Each candidate or political committee (~~that expended five~~
9 ~~thousand dollars or more in the preceding year or expects to expend~~
10 ~~five thousand dollars or more in the current year~~)) shall file all
11 contribution reports and expenditure reports required by this chapter
12 by the electronic alternative provided by the commission under RCW
13 42.17A.055. (~~The commission may make exceptions on a case-by-case~~
14 ~~basis for candidates whose authorized committees lack the~~
15 ~~technological ability to file reports using the electronic~~
16 ~~alternative provided by the commission.~~))

17 (2) Each treasurer of a surplus funds account shall file all
18 expenditure reports required by this chapter by the electronic
19 alternative provided by the commission under RCW 42.17A.055.

1 (3) Beginning June 30, 2016, each candidate and political
2 committee shall file all statements of organization required by this
3 chapter by the electronic alternative provided by the commission.

4 (4) The commission may make exceptions on a case-by-case basis,
5 for a person who demonstrates the technological inability to file
6 reports using the electronic means provided or approved by the
7 commission.

8 (5) Failure ((by a candidate or political committee)) to comply
9 with this section is a violation of this chapter.

10 **Sec. 2.** RCW 42.17A.260 and 2010 c 204 s 413 are each amended to
11 read as follows:

12 (1) The sponsor of political advertising who, within twenty-one
13 days of an election, publishes, mails, or otherwise presents to the
14 public political advertising supporting or opposing a candidate or
15 ballot proposition that qualifies as an independent expenditure with
16 a fair market value of one thousand dollars or more shall ~~((deliver))~~
17 file, ~~((either))~~ electronically ~~((or in written form))~~, a special
18 report to the commission within twenty-four hours of, or on the first
19 working day after, the date the political advertising is first
20 published, mailed, or otherwise presented to the public.

21 (2) If a sponsor is required to file a special report under this
22 section, the sponsor shall also ~~((deliver to the commission))~~,
23 within the delivery period established in subsection (1) of this section,
24 file a special report for each subsequent independent expenditure of
25 any size supporting or opposing the same candidate who was the
26 subject of the previous independent expenditure, supporting or
27 opposing that candidate's opponent, or supporting or opposing the
28 same ballot proposition that was the subject of the previous
29 independent expenditure.

30 (3) The special report must include:

31 (a) The name and address of the person making the expenditure;

32 (b) The name and address of the person to whom the expenditure
33 was made;

34 (c) A detailed description of the expenditure;

35 (d) The date the expenditure was made and the date the political
36 advertising was first published or otherwise presented to the public;

37 (e) The amount of the expenditure;

38 (f) The name of the candidate supported or opposed by the
39 expenditure, the office being sought by the candidate, and whether

1 the expenditure supports or opposes the candidate; or the name of the
2 ballot proposition supported or opposed by the expenditure and
3 whether the expenditure supports or opposes the ballot proposition;
4 and

5 (g) Any other information the commission may require by rule.

6 (4) All persons required to report under RCW 42.17A.225,
7 42.17A.235, 42.17A.240, 42.17A.255, and 42.17A.305 are subject to the
8 requirements of this section. The commission may determine that
9 reports filed pursuant to this section also satisfy the requirements
10 of RCW 42.17A.255.

11 (5) The sponsor of independent expenditures supporting a
12 candidate or opposing that candidate's opponent required to report
13 under this section shall file with each required report an affidavit
14 or declaration of the person responsible for making the independent
15 expenditure that the expenditure was not made in cooperation,
16 consultation, or concert with, or at the request or suggestion of,
17 the candidate, the candidate's authorized committee, or the
18 candidate's agent, or with the encouragement or approval of the
19 candidate, the candidate's authorized committee, or the candidate's
20 agent.

21 **Sec. 3.** RCW 42.17A.055 and 2013 c 166 s 2 are each amended to
22 read as follows:

23 (1) The commission shall make available to candidates, public
24 officials, and political committees that are required to file reports
25 under this chapter an electronic filing alternative for submitting
26 financial affairs reports, contribution reports, and expenditure
27 reports.

28 (2) The commission shall make available to lobbyists and
29 lobbyists' employers required to file reports under RCW 42.17A.600,
30 42.17A.615, 42.17A.625, or 42.17A.630 an electronic filing
31 alternative for submitting these reports.

32 (3) (~~State~~) Agencies required to report under RCW 42.17A.635
33 must file all reports electronically.

34 (4) The commission shall make available to candidates, public
35 officials, political committees, lobbyists, and lobbyists' employers
36 an electronic copy of the appropriate reporting forms at no charge.

37 **Sec. 4.** RCW 42.17A.255 and 2011 c 60 s 24 are each amended to
38 read as follows:

1 (1) For the purposes of this section the term "independent
2 expenditure" means any expenditure that is made in support of or in
3 opposition to any candidate or ballot proposition and is not
4 otherwise required to be reported pursuant to RCW 42.17A.220,
5 42.17A.235, and 42.17A.240. "Independent expenditure" does not
6 include: An internal political communication primarily limited to the
7 contributors to a political party organization or political action
8 committee, or the officers, management staff, and stockholders of a
9 corporation or similar enterprise, or the members of a labor
10 organization or other membership organization; or the rendering of
11 personal services of the sort commonly performed by volunteer
12 campaign workers, or incidental expenses personally incurred by
13 volunteer campaign workers not in excess of fifty dollars personally
14 paid for by the worker. "Volunteer services," for the purposes of
15 this section, means services or labor for which the individual is not
16 compensated by any person.

17 (2) Within five days after the date of making an independent
18 expenditure that by itself or when added to all other such
19 independent expenditures made during the same election campaign by
20 the same person equals one hundred dollars or more, or within five
21 days after the date of making an independent expenditure for which no
22 reasonable estimate of monetary value is practicable, whichever
23 occurs first, the person who made the independent expenditure shall
24 file with the commission an initial report of all independent
25 expenditures made during the campaign prior to and including such
26 date.

27 (3) At the following intervals each person who is required to
28 file an initial report pursuant to subsection (2) of this section
29 shall file with the commission a further report of the independent
30 expenditures made since the date of the last report:

31 (a) On the twenty-first day and the seventh day preceding the
32 date on which the election is held; and

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

34 (c) On the tenth day of each month in which no other reports are
35 required to be filed pursuant to this section. However, the further
36 reports required by this subsection (3) shall only be filed if the
37 reporting person has made an independent expenditure since the date
38 of the last previous report filed.

39 The report filed pursuant to paragraph (a) of this subsection (3)
40 shall be the final report, and upon submitting such final report the

1 duties of the reporting person shall cease, and there shall be no
2 obligation to make any further reports.

3 (4) All reports filed pursuant to this section shall be certified
4 as correct by the reporting person.

5 (5) Each report required by subsections (2) and (3) of this
6 section shall disclose for the period beginning at the end of the
7 period for the last previous report filed or, in the case of an
8 initial report, beginning at the time of the first independent
9 expenditure, and ending not more than one business day before the
10 date the report is due:

11 (a) The name and address of the person filing the report;

12 (b) The name and address of each person to whom an independent
13 expenditure was made in the aggregate amount of more than fifty
14 dollars, and the amount, date, and purpose of each such expenditure.
15 If no reasonable estimate of the monetary value of a particular
16 independent expenditure is practicable, it is sufficient to report
17 instead a precise description of services, property, or rights
18 furnished through the expenditure and where appropriate to attach a
19 copy of the item produced or distributed by the expenditure;

20 (c) The total sum of all independent expenditures made during the
21 campaign to date; and

22 (d) Such other information as shall be required by the commission
23 by rule in conformance with the policies and purposes of this
24 chapter.

25 (6) Independent expenditures must be reported electronically
26 using software provided or approved by the commission. The commission
27 may make exceptions, on a case-by-case basis, for a person who
28 demonstrates the technological inability to file reports using the
29 electronic means provided or approved by the commission.

30 **Sec. 5.** RCW 42.17A.265 and 2010 c 204 s 414 are each amended to
31 read as follows:

32 (1)(a) Treasurers shall ((prepare and deliver to)) electronically
33 file with the commission a special report when a contribution or
34 aggregate of contributions totals one thousand dollars or more, is
35 from a single person or entity, and is received during a special
36 reporting period.

37 (b) Treasurers shall electronically file with the commission a
38 special report when a contribution of twenty-five thousand dollars or

1 more is received from a single entity outside of a special reporting
2 period.

3 (2)(a) A political committee shall (~~prepare and deliver to~~)
4 electronically file with the commission a special report when it
5 makes a contribution or an aggregate of contributions to a single
6 entity that totals one thousand dollars or more during a special
7 reporting period.

8 (b) A political committee shall electronically file with the
9 commission a special report when it makes a contribution of twenty-
10 five thousand dollars or more outside of a special reporting period.

11 (3) An aggregate of contributions includes only those
12 contributions made to or received from a single entity during any one
13 special reporting period. Any subsequent contribution of any size
14 made to or received from the same person or entity during the special
15 reporting period must also be reported.

16 (4) Special reporting periods, for purposes of this section,
17 include:

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

21 ~~(b))~~ The period twenty-one days preceding a primary election or
22 general election; and

23 ~~((c))~~ (b) An aggregate of contributions includes only those
24 contributions received from a single entity during any one special
25 reporting period or made by the contributing political committee to a
26 single entity during any one special reporting period.

27 (5) If a campaign treasurer files a special report under this
28 section for one or more contributions received from a single entity
29 during a special reporting period, the treasurer shall also file a
30 special report under this section for each subsequent contribution of
31 any size which is received from that entity during the special
32 reporting period. If a political committee files a special report
33 under this section for a contribution or contributions made to a
34 single entity during a special reporting period, the political
35 committee shall also file a special report for each subsequent
36 contribution of any size which is made to that entity during the
37 special reporting period.

38 (6) (~~Special reports required by this section shall be delivered~~
39 ~~electronically or in written form, including but not limited to~~
40 ~~mailgram, telegram, or nightletter. The special report may be~~

1 ~~transmitted orally by telephone to the commission if the written form~~
2 ~~of the report is postmarked and mailed to the commission or the~~
3 ~~electronic filing is transferred to the commission within the~~
4 ~~delivery periods established in (a) and (b) of this subsection.))~~

5 (a) The special report required of a contribution recipient under
6 subsection (1)(a) of this section shall be ~~((delivered to))~~
7 electronically filed with the commission within forty-eight hours of
8 the time, or on the first working day after: The contribution of one
9 thousand dollars or more is received by the candidate or treasurer;
10 the aggregate received by the candidate or treasurer first equals one
11 thousand dollars or more; or any subsequent contribution from the
12 same source is received by the candidate or treasurer.

13 (b) The special report required of a contributor under subsection
14 (2)(a) of this section or RCW 42.17A.625 shall be ~~((delivered to))~~
15 electronically filed with the commission, and the candidate or
16 political committee to whom the contribution or contributions are
17 made, within twenty-four hours of the time, or on the first working
18 day after: The contribution is made; the aggregate of contributions
19 made first equals one thousand dollars or more; or any subsequent
20 contribution to the same person or entity is made.

21 (7) The special report shall include:

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

23 (b) The date or dates of receipt;

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

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

26 (e) Any other information the commission may by rule require.

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

29 ~~((The commission shall prepare daily a summary of the special~~
30 ~~reports made under this section and RCW 42.17A.625-~~

31 ~~(+10))~~ Contributions governed by this section include, but are
32 not limited to, contributions made or received indirectly through a
33 third party or entity whether the contributions are or are not
34 reported to the commission as earmarked contributions under RCW
35 42.17A.270.

36 **Sec. 6.** RCW 42.17A.600 and 2010 c 204 s 801 are each amended to
37 read as follows:

38 (1) Before lobbying, or within thirty days after being employed
39 as a lobbyist, whichever occurs first, a lobbyist shall register by

1 filing with the commission a lobbyist registration statement, in such
2 detail as the commission shall prescribe, that includes the following
3 information:

4 (a) The lobbyist's name, permanent business address, and any
5 temporary residential and business addresses in Thurston county
6 during the legislative session;

7 (b) The name, address and occupation or business of the
8 lobbyist's employer;

9 (c) The duration of the lobbyist's employment;

10 (d) The compensation to be received for lobbying, the amount to
11 be paid for expenses, and what expenses are to be reimbursed;

12 (e) Whether the lobbyist is employed solely as a lobbyist or
13 whether the lobbyist is a regular employee performing services for
14 his or her employer which include but are not limited to the
15 influencing of legislation;

16 (f) The general subject or subjects to be lobbied;

17 (g) A written authorization from each of the lobbyist's employers
18 confirming such employment;

19 (h) The name and address of the person who will have custody of
20 the accounts, bills, receipts, books, papers, and documents required
21 to be kept under this chapter;

22 (i) If the lobbyist's employer is an entity (including, but not
23 limited to, business and trade associations) whose members include,
24 or which as a representative entity undertakes lobbying activities
25 for, businesses, groups, associations, or organizations, the name and
26 address of each member of such entity or person represented by such
27 entity whose fees, dues, payments, or other consideration paid to
28 such entity during either of the prior two years have exceeded five
29 hundred dollars or who is obligated to or has agreed to pay fees,
30 dues, payments, or other consideration exceeding five hundred dollars
31 to such entity during the current year.

32 (2) Any lobbyist who receives or is to receive compensation from
33 more than one person for lobbying shall file a separate notice of
34 representation for each person. However, if two or more persons are
35 jointly paying or contributing to the payment of the lobbyist, the
36 lobbyist may file a single statement detailing the name, business
37 address, and occupation of each person paying or contributing and the
38 respective amounts to be paid or contributed.

39 (3) Whenever a change, modification, or termination of the
40 lobbyist's employment occurs, the lobbyist shall file with the

1 commission an amended registration statement within one week of the
2 change, modification, or termination.

3 (4) Each registered lobbyist shall file a new registration
4 statement, revised as appropriate, on the second Monday in January of
5 each odd-numbered year. Failure to do so terminates the lobbyist's
6 registration.

7 (5) Beginning January 1, 2017, each lobbyist shall file all
8 registration statements by the electronic alternative provided by the
9 commission.

10 **Sec. 7.** RCW 42.17A.615 and 2010 c 204 s 804 are each amended to
11 read as follows:

12 (1) Any lobbyist registered under RCW 42.17A.600 and any person
13 who lobbies shall file with the commission monthly reports of his or
14 her lobbying activities. The reports shall be made in the form and
15 manner prescribed by the commission and must be signed by the
16 lobbyist. The monthly report shall be filed within fifteen days after
17 the last day of the calendar month covered by the report.

18 (2) The monthly report shall contain:

19 (a) The totals of all expenditures for lobbying activities made
20 or incurred by the lobbyist or on behalf of the lobbyist by the
21 lobbyist's employer during the period covered by the report.
22 Expenditure totals for lobbying activities shall be segregated
23 according to financial category, including compensation; food and
24 refreshments; living accommodations; advertising; travel;
25 contributions; and other expenses or services. Each individual
26 expenditure of more than twenty-five dollars for entertainment shall
27 be identified by date, place, amount, and the names of all persons
28 taking part in the entertainment, along with the dollar amount
29 attributable to each person, including the lobbyist's portion.

30 (b) In the case of a lobbyist employed by more than one employer,
31 the proportionate amount of expenditures in each category incurred on
32 behalf of each of the lobbyist's employers.

33 (c) An itemized listing of each contribution of money or of
34 tangible or intangible personal property, whether contributed by the
35 lobbyist personally or delivered or transmitted by the lobbyist, to
36 any candidate, elected official, or officer or employee of any
37 agency, or any political committee supporting or opposing any ballot
38 proposition, or for or on behalf of any candidate, elected official,
39 or officer or employee of any agency, or any political committee

1 supporting or opposing any ballot proposition. All contributions made
2 to, or for the benefit of, any candidate, elected official, or
3 officer or employee of any agency, or any political committee
4 supporting or opposing any ballot proposition shall be identified by
5 date, amount, and the name of the candidate, elected official, or
6 officer or employee of any agency, or any political committee
7 supporting or opposing any ballot proposition receiving, or to be
8 benefited by each such contribution.

9 (d) The subject matter of proposed legislation or other
10 legislative activity or rule making under chapter 34.05 RCW, the
11 state administrative procedure act, and the state agency considering
12 the same, which the lobbyist has been engaged in supporting or
13 opposing during the reporting period, unless exempt under RCW
14 42.17A.610(2).

15 (e) A listing of each payment for an item specified in RCW
16 42.52.150(5) in excess of fifty dollars and each item specified in
17 RCW 42.52.010(~~(+10)~~) (9) (d) and (f) made to a state elected
18 official, state officer, or state employee. Each item shall be
19 identified by recipient, date, and approximate value of the item.

20 (f) The total expenditures paid or incurred during the reporting
21 period by the lobbyist for lobbying purposes, whether through or on
22 behalf of a lobbyist or otherwise, for (i) political advertising as
23 defined in RCW 42.17A.005; and (ii) public relations, telemarketing,
24 polling, or similar activities if the activities, directly or
25 indirectly, are intended, designed, or calculated to influence
26 legislation or the adoption or rejection of a rule, standard, or rate
27 by an agency under the administrative procedure act. The report shall
28 specify the amount, the person to whom the amount was paid, and a
29 brief description of the activity.

30 (3) Lobbyists are not required to report the following:

31 (a) Unreimbursed personal living and travel expenses not incurred
32 directly for lobbying;

33 (b) Any expenses incurred for his or her own living
34 accommodations;

35 (c) Any expenses incurred for his or her own travel to and from
36 hearings of the legislature;

37 (d) Any expenses incurred for telephone, and any office expenses,
38 including rent and salaries and wages paid for staff and secretarial
39 assistance.

1 (4) The commission may adopt rules to vary the content of
2 lobbyist reports to address specific circumstances, consistent with
3 this section. Lobbyist reports are subject to audit by the
4 commission.

5 (5) Beginning January 1, 2017, each lobbyist shall file the
6 monthly report by the electronic alternative provided by the
7 commission.

8 **Sec. 8.** RCW 42.17A.630 and 2010 c 204 s 807 are each amended to
9 read as follows:

10 (1) Every employer of a lobbyist registered under this chapter
11 during the preceding calendar year and every person other than an
12 individual that made contributions aggregating to more than sixteen
13 thousand dollars or independent expenditures aggregating to more than
14 eight hundred dollars during the preceding calendar year shall file
15 with the commission on or before the last day of February of each
16 year a statement disclosing for the preceding calendar year the
17 following information:

18 (a) The name of each state elected official and the name of each
19 candidate for state office who was elected to the office and any
20 member of the immediate family of those persons to whom the person
21 reporting has paid any compensation in the amount of eight hundred
22 dollars or more during the preceding calendar year for personal
23 employment or professional services, including professional services
24 rendered by a corporation, partnership, joint venture, association,
25 union, or other entity in which the person holds any office,
26 directorship, or any general partnership interest, or an ownership
27 interest of ten percent or more, the value of the compensation in
28 accordance with the reporting provisions set out in RCW
29 42.17A.710(2), and the consideration given or performed in exchange
30 for the compensation.

31 (b) The name of each state elected official, successful candidate
32 for state office, or members of his or her immediate family to whom
33 the person reporting made expenditures, directly or indirectly,
34 either through a lobbyist or otherwise, the amount of the
35 expenditures and the purpose for the expenditures. For the purposes
36 of this subsection, "expenditure" shall not include any expenditure
37 made by the employer in the ordinary course of business if the
38 expenditure is not made for the purpose of influencing, honoring, or

1 benefiting the elected official, successful candidate, or member of
2 his immediate family, as an elected official or candidate.

3 (c) The total expenditures made by the person reporting for
4 lobbying purposes, whether through or on behalf of a registered
5 lobbyist or otherwise.

6 (d) All contributions made to a political committee supporting or
7 opposing a candidate for state office, or to a political committee
8 supporting or opposing a statewide ballot proposition. Such
9 contributions shall be identified by the name and the address of the
10 recipient and the aggregate amount contributed to each such
11 recipient.

12 (e) The name and address of each registered lobbyist employed by
13 the person reporting and the total expenditures made by the person
14 reporting for each lobbyist for lobbying purposes.

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

19 (g) The identifying proposition number and a brief description of
20 any statewide ballot proposition supported or opposed by expenditures
21 not reported under (d) of this subsection and the amount of each such
22 expenditure.

23 (h) Any other information the commission prescribes by rule.

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

37 (b) The provisions of (a) of this subsection do not apply to a
38 contribution that is made through a registered lobbyist and
39 reportable under RCW 42.17A.425.

1 (3) Beginning January 1, 2017, each employer of a lobbyist shall
2 file reports using the electronic alternative provided by the
3 commission.

4 **Sec. 9.** RCW 42.17A.700 and 2010 c 204 s 901 are each amended to
5 read as follows:

6 (1) After January 1st and before April 15th of each year, every
7 elected official and every executive state officer shall file with
8 the commission a statement of financial affairs for the preceding
9 calendar year. However, any local elected official whose term of
10 office ends on December 31st shall file the statement required to be
11 filed by this section for the final year of his or her term.

12 (2) Within two weeks of becoming a candidate, every candidate
13 shall file with the commission a statement of financial affairs for
14 the preceding twelve months.

15 (3) Within two weeks of appointment, every person appointed to a
16 vacancy in an elective office or executive state officer position
17 shall file with the commission a statement of financial affairs for
18 the preceding twelve months.

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

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

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

29 (7) Every elected official and every executive state officer
30 shall file with their statement of financial affairs a statement
31 certifying that they have read and are familiar with RCW 42.17A.555
32 or 42.52.180, whichever is applicable.

33 (8) Beginning June 30, 2016, elected officials, executive state
34 officers, appointees, and candidates shall file personal financial
35 affairs statements by the electronic alternative provided by the
36 commission. The commission may make exceptions on a case-by-case
37 basis, for a person who demonstrates the technological inability to
38 file reports using the electronic means provided or approved by the
39 commission.

1 (9) For the purposes of this section, the term "executive state
2 officer" includes those listed in RCW 42.17A.705.

3 (~~(9)~~) (10) This section does not apply to incumbents or
4 candidates for a federal office or the office of precinct committee
5 officer.

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