
HOUSE BILL 2938

State of Washington

65th Legislature

2018 Regular Session

By Representative Hudgins

1 AN ACT Relating to campaign finance law enforcement and
2 reporting; amending RCW 42.17A.110, 42.17A.755, 42.17A.765,
3 42.17A.235, 42.17A.255, 42.17A.240, and 42.17A.450; adding new
4 sections to chapter 42.17A RCW; adding a new section to chapter 43.09
5 RCW; creating new sections; making an appropriation; and providing an
6 expiration date.

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

8 NEW SECTION. **Sec. 1.** The legislature finds that an essential
9 purpose of the public disclosure commission is to provide
10 transparency in reporting of campaign-related donations and
11 expenditures. The intent of the law is not to trap or embarrass
12 people when they make honest remediable errors. A majority of smaller
13 campaigns are volunteer-driven and most treasurers are not
14 professional accountants. The public disclosure commission should be
15 guided to review and address major violations, intentional
16 violations, and violations that could change the outcome of an
17 election or materially affect the public interest.

18 **Sec. 2.** RCW 42.17A.110 and 2015 c 225 s 55 are each amended to
19 read as follows:

20 The commission may:

1 (1) Adopt, amend, and rescind suitable administrative rules to
2 carry out the policies and purposes of this chapter, which rules
3 shall be adopted under chapter 34.05 RCW. Any rule relating to
4 campaign finance, political advertising, or related forms that would
5 otherwise take effect after June 30th of a general election year
6 shall take effect no earlier than the day following the general
7 election in that year;

8 (2) Appoint an executive director and set, within the limits
9 established by the office of financial management under RCW
10 43.03.028, the executive director's compensation. The executive
11 director shall perform such duties and have such powers as the
12 commission may prescribe and delegate to implement and enforce this
13 chapter efficiently and effectively. The commission shall not
14 delegate its authority to adopt, amend, or rescind rules nor may it
15 delegate authority to determine (~~whether~~) that an actual violation
16 of this chapter has occurred or to assess penalties for such
17 violations. Any action taken by the commission or by the executive
18 director or his or her staff, pursuant to delegated authority by the
19 commission to resolve complaints or correct technical violations,
20 constitutes state action for purposes of this chapter;

21 (3) Prepare and publish reports and technical studies as in its
22 judgment will tend to promote the purposes of this chapter, including
23 reports and statistics concerning campaign financing, lobbying,
24 financial interests of elected officials, and enforcement of this
25 chapter;

26 (4) Conduct, as it deems appropriate, audits and field
27 investigations;

28 (5) Make public the time and date of any formal hearing set to
29 determine whether a violation has occurred, the question or questions
30 to be considered, and the results thereof;

31 (6) Administer oaths and affirmations, issue subpoenas, and
32 compel attendance, take evidence, and require the production of any
33 records relevant to any investigation authorized under this chapter,
34 or any other proceeding under this chapter;

35 (7) Adopt a code of fair campaign practices;

36 (8) Adopt rules relieving candidates or political committees of
37 obligations to comply with the election campaign provisions of this
38 chapter, if they have not received contributions nor made
39 expenditures in connection with any election campaign of more than
40 five thousand dollars; and

1 (9) (~~Adopt rules prescribing reasonable requirements for keeping~~
2 ~~accounts of, and reporting on a quarterly basis, costs incurred by~~
3 ~~state agencies, counties, cities, and other municipalities and~~
4 ~~political subdivisions in preparing, publishing, and distributing~~
5 ~~legislative information. For the purposes of this subsection,~~
6 ~~"legislative information" means books, pamphlets, reports, and other~~
7 ~~materials prepared, published, or distributed at substantial cost, a~~
8 ~~substantial purpose of which is to influence the passage or defeat of~~
9 ~~any legislation. The state auditor in his or her regular examination~~
10 ~~of each agency under chapter 43.09 RCW shall review the rules,~~
11 ~~accounts, and reports and make appropriate findings, comments, and~~
12 ~~recommendations concerning those agencies; and~~

13 ~~(10))~~ Develop and provide to filers a system for certification
14 of reports required under this chapter which are transmitted by
15 facsimile or electronically to the commission. Implementation of the
16 program is contingent on the availability of funds.

17 **Sec. 3.** RCW 42.17A.755 and 2011 c 145 s 7 are each amended to
18 read as follows:

19 (1) The commission may (~~(a)~~) determine whether an actual
20 violation of this chapter has occurred(~~(1)~~) and (~~(b)~~) may issue and
21 enforce an appropriate order following such a determination, or
22 otherwise take action to resolve the matter as appropriate under the
23 circumstances.

24 (2) (~~The commission, in cases where it chooses to determine~~
25 ~~whether an actual violation has occurred, shall hold a hearing~~
26 ~~pursuant to the administrative procedure act, chapter 34.05 RCW, to~~
27 ~~make a determination. Any order that the commission issues under this~~
28 ~~section shall be pursuant to such a hearing.)) If a complaint is
29 filed with the commission or initiated by the commission, in
30 determining whether an actual violation of this chapter has occurred,
31 the commission may:~~

32 (a) Dismiss the complaint or otherwise resolve the matter as
33 appropriate under the circumstances;

34 (b) Initiate an investigation based on the alleged violation in
35 the complaint; or

36 (c) Refer the matter to the office of the attorney general or
37 other enforcement agency as provided in RCW 42.17A.105.

1 (3) (~~In lieu of holding a hearing or issuing an order under this~~
2 ~~section, the commission may refer the matter to the attorney general~~
3 ~~or other enforcement agency as provided in RCW 42.17A.105.~~

4 ~~(4))~~ The commission may issue orders for violations in
5 accordance with this chapter. The person against whom an order is
6 directed under this section shall be designated as the respondent.
7 The order may require the respondent to (~~cease and desist from the~~
8 ~~activity that constitutes a violation and in addition, or~~
9 ~~alternatively, may impose one or more of the remedies provided in RCW~~
10 ~~42.17A.750(1) (b) through (e))~~ take remedial action to ensure
11 compliance with this chapter. The commission may assess a penalty in
12 an amount not to exceed (~~ten~~) fifty thousand dollars per violation,
13 unless the parties agree by stipulation to a higher amount. Any order
14 that the commission issues under this section that imposes a
15 financial penalty must be made pursuant to a hearing, held in
16 accordance with the administrative procedure act, chapter 34.05 RCW.

17 ~~((5))~~ (4) The commission has the authority to waive a (~~fine~~)
18 penalty for a first-time violation. A second violation of the same
19 (~~rule~~) requirement by the same person or individual, regardless if
20 the person or individual committed the violation for a different
21 political committee, shall result in a (~~fine~~) penalty. Succeeding
22 violations of the same (~~rule~~) requirement shall result in
23 successively increased (~~finest~~) penalties. The commission may
24 suspend any portion of an assessed penalty contingent on future
25 compliance with this chapter. The commission may create a schedule to
26 enhance penalties based on repeat violations by the person.

27 ~~((6))~~ (5) An order issued by the commission under this section
28 shall be subject to judicial review under the administrative
29 procedure act, chapter 34.05 RCW. If the commission's order is not
30 satisfied and no petition for review is filed within thirty days, the
31 commission may petition a court of competent jurisdiction of any
32 county in which a petition for review could be filed under that
33 section, for an order of enforcement. Proceedings in connection with
34 the commission's petition shall be in accordance with RCW 42.17A.760.

35 NEW SECTION. **Sec. 4.** The legislature finds that campaign
36 finance laws play an important role in the administration of fair
37 elections in Washington state. In 1972, the citizens voted
38 overwhelmingly to create an independent agency to serve as the

1 state's primary body for overseeing compliance with and enforcement
2 of these laws.

3 The legislature intends for the public disclosure commission to
4 retain its authority to take action on behalf of the state and the
5 state attorney general and county prosecuting attorneys to receive
6 citizen complaints as defined herein in limited circumstances to
7 supplement and enhance the authority vested in the public disclosure
8 commission, or to provide an alternative in the event that the
9 commission is unable to fulfill its responsibilities as mandated by
10 the voters.

11 **Sec. 5.** RCW 42.17A.765 and 2010 c 204 s 1004 are each amended to
12 read as follows:

13 (1)(a) The attorney general and the prosecuting authorities of
14 political subdivisions of this state may bring civil actions in the
15 name of the state for any appropriate civil remedy, including but not
16 limited to the special remedies provided in RCW 42.17A.750.

17 (b) The attorney general and the prosecuting authorities of
18 political subdivisions of this state may dismiss a complaint against
19 a candidate, pursuant to this section, at any time based on a
20 remediable violation.

21 (c) The attorney general and the prosecuting authorities of
22 political subdivisions of this state should use the enforcement
23 powers in this section in a consistent manner that provides guidance
24 in complying with the provisions of this chapter to candidates,
25 political committees, or other individuals subject to the regulations
26 of this chapter.

27 (2) The attorney general and the prosecuting authorities of
28 political subdivisions of this state may investigate or cause to be
29 investigated the activities of any person who there is reason to
30 believe is or has been acting in violation of this chapter, and may
31 require any such person or any other person reasonably believed to
32 have information concerning the activities of such person to appear
33 at a time and place designated in the county in which such person
34 resides or is found, to give such information under oath and to
35 produce all accounts, bills, receipts, books, paper and documents
36 which may be relevant or material to any investigation authorized
37 under this chapter.

38 (3) When the attorney general or the prosecuting authority of any
39 political subdivision of this state requires the attendance of any

1 person to obtain such information or produce the accounts, bills,
2 receipts, books, papers, and documents that may be relevant or
3 material to any investigation authorized under this chapter, he or
4 she shall issue an order setting forth the time when and the place
5 where attendance is required and shall cause the same to be delivered
6 to or sent by registered mail to the person at least fourteen days
7 before the date fixed for attendance. The order shall have the same
8 force and effect as a subpoena, shall be effective statewide, and,
9 upon application of the attorney general or the prosecuting
10 authority, obedience to the order may be enforced by any superior
11 court judge in the county where the person receiving it resides or is
12 found, in the same manner as though the order were a subpoena. The
13 court, after hearing, for good cause, and upon application of any
14 person aggrieved by the order, shall have the right to alter, amend,
15 revise, suspend, or postpone all or any part of its provisions. In
16 any case where the order is not enforced by the court according to
17 its terms, the reasons for the court's actions shall be clearly
18 stated in writing, and the action shall be subject to review by the
19 appellate courts by certiorari or other appropriate proceeding.

20 (4) A person (~~who has notified the attorney general and the~~
21 ~~prosecuting attorney in the county in which the violation occurred in~~
22 ~~writing that there is reason to believe that some provision of this~~
23 ~~chapter is being or has been violated~~) may himself or herself bring
24 in the name of the state any of the actions (hereinafter referred to
25 as a citizen's action) authorized under this chapter. (~~(a)~~) This
26 citizen action may be brought only if:

27 ((i)) (a) The person first has filed a complaint with the
28 commission, providing a reasonable basis to believe that a violation
29 of this chapter has occurred, and the commission has not:

30 (i) Within sixty days of such filing:

31 (A) Dismissed the complaint, addressed the complaint as a
32 remediable violation, or otherwise resolved the matter as appropriate
33 under the circumstances; or

34 (B) Initiated an investigation; or

35 (ii) Reasonably taken timely action on the complaint in a manner
36 consistent with its normal course of enforcement;

37 (b) The person has met the criteria of (a) of this subsection and
38 has notified the attorney general and the prosecuting attorney in the
39 county in which the violation occurred in writing that there is
40 reason to believe that some provision of this chapter is being or has

1 been violated and that the commission has failed to act timely on the
2 complaint;

3 (c) The attorney general and the prosecuting attorney have
4 ~~((failed to commence an action hereunder))~~ not acted within ~~((forty-~~
5 ~~five))~~ sixty days after the notice in (b) of this subsection by
6 either:

7 (i) Commencing an action based on the notice; or

8 (ii) Not commencing an action based on a reasonable determination
9 that the complaint amounts to a remediable violation;

10 ~~((+ii))~~ (d) The person has ~~((thereafter further notified))~~
11 provided an additional written notice to the attorney general and
12 prosecuting attorney that the person will commence a citizen's action
13 within ten days upon their failure to do so~~((+~~

14 ~~+iii))~~ and the attorney general and the prosecuting attorney
15 have in fact failed to bring such action within ten days of receipt
16 of said second notice; and

17 ~~((+iv))~~ (e) The citizen's action is filed within two years after
18 the date when the alleged violation occurred.

19 ~~((+b))~~ (5) The citizen's action must be dismissed by the court
20 if, within fifteen days after the action is filed, the attorney
21 general or prosecuting attorney reasonably determine that the
22 complaint amounts to a remediable violation.

23 (6) If the person who brings the citizen's action prevails, the
24 judgment awarded shall escheat to the state, but he or she shall be
25 entitled to be reimbursed by the ~~((state of Washington))~~ defendant
26 for costs and reasonable attorneys' fees he or she has incurred. The
27 court must consider the severity of the violation in determining the
28 amount of costs and attorneys' fees to be paid. In the case of a
29 citizen's action that is dismissed and that the court also finds was
30 brought without reasonable cause, the court may order the person
31 commencing the action to pay all costs of trial and reasonable
32 attorneys' fees incurred by the defendant, which may be increased to
33 an amount of no more than treble the defendant's costs of trial and
34 reasonable attorneys' fees if it is determined that the action was
35 commenced for the purpose of harassment.

36 ~~((+5))~~ (7)(a) In any action brought under this section, the
37 court may award to the state all of its costs of investigation and
38 trial, including reasonable attorneys' fees to be fixed by the court.
39 If the violation is found to have been intentional, the amount of the
40 judgment, which shall for this purpose include the state's costs, may

1 be trebled as punitive damages. If damages or trebled damages are
2 awarded in such an action brought against a lobbyist, the judgment
3 may be awarded against the lobbyist, and the lobbyist's employer or
4 employers joined as defendants, jointly, severally, or both.

5 (b) If the defendant prevails, he or she shall be awarded all
6 costs of trial, and may be awarded reasonable attorneys' fees to be
7 fixed by the court ((to be paid by the state of Washington)).

8 (c) The state may not recover any investigation costs in cases
9 involving a fine of less than fifty thousand dollars, except for
10 cases that involve an intentional violation.

11 (8) Any civil action authorized in this section for monetary
12 violations may be filed only if the alleged violation or violations
13 in the aggregate against the same person involve any contribution,
14 expenditure, or other monetary amount of at least twenty-five
15 thousand dollars. This threshold does not apply to nonmonetary
16 violations, including but not limited to political advertising,
17 lobbyist requirements, use of public facilities, and access to
18 campaign records.

19 (9) RCW 42.17A.110 shall apply to all citizen's actions notices
20 or court filings pending at the time of the effective date of this
21 section.

22 (10) For purposes of this section, "remediable violation" means
23 any violation of this chapter that:

24 (a) Occurred outside of thirty days before any election and:

25 (i) Involved expenditures totaling no more than the contribution
26 limits set out under RCW 42.17A.405(2) or one thousand dollars if
27 there is no statutory limit;

28 (ii) The person took corrective action within two business days
29 when first notified of noncompliance by the commission or filed a
30 required report within twenty-five days after the report was due to
31 be filed where the commission did not provide notice; and

32 (A) The same person substantially met the filing deadline for all
33 other required reports within the immediately preceding twelve-month
34 period; or

35 (B) The noncompliance does not materially affect the public
36 interest, beyond the harm to the policy of this chapter inherent in
37 any violation;

38 (b) Involved a candidate:

39 (i) Who lost the election in question;

1 (ii) Who did not receive contributions over two hundred thousand
2 dollars in aggregate during the campaign in question;

3 (iii) Whose political committee, if any, dissolved; and

4 (iv) Who has entered into an agreement with the commission or its
5 executive director to resolve the alleged violation; or

6 (c) Where the amount of the alleged violation, or the fine for
7 the alleged violation, would be less than the estimated investigation
8 costs.

9 (11) The commission may adopt a rule for purposes of clarifying
10 the definition of "remediable violation" that incorporates the terms
11 of the definition under subsection (10) of this section.

12 NEW SECTION. Sec. 6. A new section is added to chapter 42.17A
13 RCW to read as follows:

14 (1) Any person against whom an order has been issued and enforced
15 by the commission or a court, pursuant to RCW 42.17A.765, within two
16 years before the effective date of this section, may petition the
17 commission or the court, respectively, to review the order and
18 determine whether any order or penalty should be modified or vacated
19 based on the provisions of this act.

20 (2) The commission or the court may reimburse any person who had
21 been ordered to pay costs to the state in a citizen's action if
22 warranted by any modified or vacated order.

23 (3) This section expires July 1, 2023.

24 NEW SECTION. Sec. 7. A new section is added to chapter 42.17A
25 RCW to read as follows:

26 The public disclosure transparency account is created in the
27 custody of the state treasurer. All receipts from penalties collected
28 pursuant to enforcement actions under this chapter must be deposited
29 into the account, and shall be appropriated by the legislature for
30 purposes consistent with the implementation and administration of
31 duties under this chapter and may not be used to supplant general
32 fund appropriations to the commission.

33 NEW SECTION. Sec. 8. A new section is added to chapter 43.09
34 RCW to read as follows:

35 (1) To help assess the effectiveness of state campaign finance
36 reporting requirements in providing transparency of campaign
37 financing in state elections, the state auditor must enter into an

1 interagency agreement with the public disclosure commission to
2 conduct, at no cost to the commission, certain audits each biennium
3 of political committees' performance in complying with those
4 requirements. The audits must examine the performance of reporting
5 practices of a sample of political committees or candidate campaigns
6 that raise more than one hundred thousand dollars within a single
7 election cycle for compliance with chapter 42.17A RCW.

8 (2) The public disclosure commission must develop a process for
9 selecting from those political committees that exceed the one hundred
10 thousand dollar threshold so that the selection is conducted in a
11 manner that ensures fairness and impartiality. Each audit must
12 include the political committees on both sides of an election
13 campaign and the commission may prioritize campaigns where, as
14 compared to other committees in an election cycle, either or both
15 committees have the most:

- 16 (a) Contributions in the aggregate;
- 17 (b) Donors; or
- 18 (c) Out-of-state contributions.

19 (3) The interagency agreement must include a reasonable schedule
20 for the audits authorized in subsection (1) of this section, based
21 on:

- 22 (a) Year;
- 23 (b) Workload of each agency;
- 24 (c) Funding considerations;
- 25 (d) The manner in which the audits are to be conducted; and
- 26 (e) A procedure to ensure any violations that are found in an
27 audit are immediately referred to the commission.

28 (4) The state auditor must conduct the audits immediately upon
29 receiving the selected political committees from the public
30 disclosure commission. The state auditor must report its findings to
31 the commission. In addition, the state auditor and the commission
32 must report the findings to the relevant standing committees of the
33 legislature.

34 **Sec. 9.** RCW 42.17A.235 and 2015 c 54 s 1 are each amended to
35 read as follows:

36 (1) In addition to the information required under RCW 42.17A.205
37 and 42.17A.210, (~~on the day the treasurer is designated,~~) each
38 candidate or political committee must file with the commission ((a))

1 an initial report of all contributions received and expenditures made
2 prior to that date, if any, on the next reporting date.

3 (2) Each treasurer shall file with the commission a report
4 containing the information required by RCW 42.17A.240 (~~at the~~
5 ~~following intervals:~~

6 ~~(a)) on the twenty-first day and the seventh day immediately~~
7 ~~preceding the date on which the election is held(;~~

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

9 ~~(c)) and on the ((tenth)) fifth day of each month in which no~~
10 other reports are required to be filed under this section only if the
11 committee has received a contribution or made an expenditure in the
12 preceding calendar month and either the total contributions received
13 or total expenditures made since the last such report exceed two
14 hundred dollars.

15 (~~The report filed twenty one days before the election shall~~
16 ~~report all contributions received and expenditures made as of the end~~
17 ~~of one business day before the date of the report.)) The report filed
18 seven days before the election shall report all contributions
19 received and expenditures made as of the end of one business day
20 before the date of the report. Reports filed on the (~~tenth~~) fifth
21 day of the month shall report all contributions received and
22 expenditures made from the closing date of the last report filed
23 through the last day of the month preceding the date of the current
24 report.~~

25 (3) For the period beginning the first day of the fourth month
26 preceding the date of the special election, or for the period
27 beginning the first day of the fifth month before the date of the
28 general election, and ending on the date of that special or general
29 election, each Monday the treasurer shall file with the commission a
30 report of each bank deposit made during the previous seven calendar
31 days. The report shall contain the name of each person contributing
32 the funds and the amount contributed by each person. However, persons
33 who contribute no more than twenty-five dollars in the aggregate are
34 not required to be identified in the report. A copy of the report
35 shall be retained by the treasurer for his or her records. In the
36 event of deposits made by a deputy treasurer, the copy shall be
37 forwarded to the treasurer for his or her records. Each report shall
38 be certified as correct by the treasurer or deputy treasurer making
39 the deposit.

1 (4)(a) The treasurer or candidate shall maintain books of account
2 accurately reflecting all contributions and expenditures on a current
3 basis within five business days of receipt or expenditure. During the
4 eight days immediately preceding the date of the election the books
5 of account shall be kept current within one business day. As
6 specified in the committee's statement of organization filed under
7 RCW 42.17A.205, the books of account must be open for public
8 inspection by appointment at the designated place for inspections
9 between 8:00 a.m. and 8:00 p.m. on any day from the eighth day
10 immediately before the election through the day immediately before
11 the election, other than Saturday, Sunday, or a legal holiday. It is
12 a violation of this chapter for a candidate or political committee to
13 refuse to allow and keep an appointment for an inspection to be
14 conducted during these authorized times and days. The appointment
15 must be allowed at an authorized time and day for such inspections
16 that is within twenty-four hours of the time and day that is
17 requested for the inspection.

18 (b) At the time of making the appointment, a person wishing to
19 inspect the books of account must provide the treasurer the name and
20 telephone number of the person wishing to inspect the books of
21 account. The person inspecting the books of account must show photo
22 identification before the inspection begins.

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

26 (d) The commission may issue rules to modify the requirements set
27 forth in this section in consideration of other technological
28 resources and best practices.

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

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

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

1 (8) When there is no outstanding debt or obligation, the campaign
2 fund is closed, and the campaign is concluded in all respects or in
3 the case of a political committee, the committee has ceased to
4 function and has dissolved, the treasurer shall file a final report.
5 Upon submitting a final report, the duties of the treasurer shall
6 cease and there is no obligation to make any further reports. All
7 penalties assessed by the commission or by court order must be paid
8 before the committee is dissolved and the treasurer's
9 responsibilities end.

10 **Sec. 10.** RCW 42.17A.255 and 2011 c 60 s 24 are each amended to
11 read as follows:

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

28 (2) Within five days after the date of making an independent
29 expenditure that by itself or when added to all other such
30 independent expenditures made during the same election campaign by
31 the same person equals one hundred dollars or more, or within five
32 days after the date of making an independent expenditure for which no
33 reasonable estimate of monetary value is practicable, whichever
34 occurs first, the person who made the independent expenditure shall
35 file with the commission an initial report of all independent
36 expenditures made during the campaign prior to and including such
37 date.

38 (3) (~~At the following intervals~~) Each person who is required to
39 file an initial report pursuant to subsection (2) of this section

1 shall file with the commission a further report of the independent
2 expenditures made since the date of the last report(~~(;~~

3 ~~(a)) on the ((~~twenty-first day and the~~)) seventh day preceding
4 the date on which the election is held(~~(;~~and~~

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

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

11 ~~The report filed pursuant to paragraph (a) of this subsection (3)
12 shall be the final report, and upon submitting such final report the
13 duties of the reporting person shall cease, and there shall be no
14 obligation to make any further reports)). A person required to file
15 an initial report who makes additional independent expenditures in
16 the same election campaign shall, on the fifth day of each month,
17 file with the commission a further report of independent
18 expenditures. Reports filed on the fifth day of the month shall
19 report independent expenditures made from the closing date of the
20 last report filed through the last day of the month preceding the
21 date of the current report.~~

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

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

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

31 (b) The name and address of each person to whom an independent
32 expenditure was made in the aggregate amount of more than fifty
33 dollars, and the amount, date, and purpose of each such expenditure.
34 An email address constitutes the official address for purposes of all
35 communications from the commission. The person filing the report must
36 provide any new email address to the commission within thirty days,
37 if his or her address has changed after filing the report. If no
38 reasonable estimate of the monetary value of a particular independent
39 expenditure is practicable, it is sufficient to report instead a
40 precise description of services, property, or rights furnished

1 through the expenditure and where appropriate to attach a copy of the
2 item produced or distributed by the expenditure;

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

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

8 **Sec. 11.** RCW 42.17A.240 and 2010 c 204 s 409 are each amended to
9 read as follows:

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

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

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

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

22 (b) Income that results from a fund-raising activity conducted in
23 accordance with RCW 42.17A.230 may be reported as one lump sum, with
24 the exception of that portion received from persons whose names and
25 addresses are required to be included in the report required by RCW
26 42.17A.230;

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

32 (d) The money value of contributions of postage shall be the face
33 value of the postage;

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

39 (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;

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

14 (8) The name and address of any person and the amount owed for
15 any debt, obligation, note, unpaid loan, or other liability in the
16 amount of more than ~~((two))~~ five hundred ~~((fifty))~~ dollars ~~((or in~~
17 ~~the amount of more than fifty dollars that has been outstanding for~~
18 ~~over thirty days))~~. The recurring expenditures that are not late or
19 outstanding do not need to be reported under this subsection;

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

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

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

25 **Sec. 12.** RCW 42.17A.450 and 1993 c 2 s 5 are each amended to
26 read as follows:

27 (1) Contributions by ~~((a husband and wife))~~ spouses are
28 considered separate contributions.

29 (2) Contributions by unemancipated children under eighteen years
30 of age are considered contributions by their parents and are
31 attributed proportionately to each parent. Fifty percent of the
32 contributions are attributed to each parent or, in the case of a
33 single custodial parent, the total amount is attributed to the
34 parent.

35 NEW SECTION. **Sec. 13.** The sum of five hundred thousand dollars
36 is appropriated for the fiscal year ending June 30, 2018, from the

1 general fund to the public disclosure commission for the purposes of
2 this act.

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