

ESSB 5021 - H COMM AMD

By Committee on State Government & Tribal Affairs

ADOPTED 04/09/2011

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature finds that timely and full
4 disclosure of election campaign funding and expenditures is essential
5 to a well-functioning democracy in which Washington's voters can judge
6 for themselves what is appropriate based on ideologies, programs, and
7 policies. Long-term voter engagement and confidence depends on the
8 public knowing who is funding the multiple and targeted messages
9 distributed during election campaigns.

10 The legislature also finds that recent events have revealed the
11 need for refining certain elements of our state's election campaign
12 finance laws that have proven inadequate in preventing efforts to hide
13 information from voters. The legislature intends, therefore, to
14 promote greater transparency for the public by enhancing penalties for
15 violations; regulating the formation of, and contributions between,
16 political committees; and reducing the expenditure thresholds for
17 purposes of mandatory electronic filing and disclosure.

18 **Sec. 2.** RCW 42.17A.005 and 2010 c 204 s 101 are each reenacted and
19 amended to read as follows:

20 The definitions in this section apply throughout this chapter
21 unless the context clearly requires otherwise.

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

24 (2) "Agency" includes all state agencies and all local agencies.
25 "State agency" includes every state office, department, division,
26 bureau, board, commission, or other state agency. "Local agency"
27 includes every county, city, town, municipal corporation, quasi-
28 municipal corporation, or special purpose district, or any office,

1 department, division, bureau, board, commission, or agency thereof, or
2 other local public agency.

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

7 (4) "Ballot proposition" means any "measure" as defined by RCW
8 29A.04.091, or any initiative, recall, or referendum proposition
9 proposed to be submitted to the voters of the state or any municipal
10 corporation, political subdivision, or other voting constituency from
11 and after the time when the proposition has been initially filed with
12 the appropriate election officer of that constituency before its
13 circulation for signatures.

14 (5) "Benefit" means a commercial, proprietary, financial, economic,
15 or monetary advantage, or the avoidance of a commercial, proprietary,
16 financial, economic, or monetary disadvantage.

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

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

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

24 (c) The county central committee or legislative district committee
25 of a major political party. There may be only one legislative district
26 committee for each party in each legislative district.

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

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

32 (b) Announces publicly or files for office;

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

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

37 (8) "Caucus political committee" means a political committee

1 organized and maintained by the members of a major political party in
2 the state senate or state house of representatives.

3 (9) "Commercial advertiser" means any person who sells the service
4 of communicating messages or producing printed material for broadcast
5 or distribution to the general public or segments of the general public
6 whether through the use of newspapers, magazines, television and radio
7 stations, billboard companies, direct mail advertising companies,
8 printing companies, or otherwise.

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

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

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

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

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

26 (ii) An expenditure made by a person in cooperation, consultation,
27 or concert with, or at the request or suggestion of, a candidate, a
28 political committee, the person or persons named on the candidate's or
29 committee's registration form who direct expenditures on behalf of the
30 candidate or committee, or their agents;

31 (iii) The financing by a person of the dissemination, distribution,
32 or republication, in whole or in part, of broadcast, written, graphic,
33 or other form of political advertising or electioneering communication
34 prepared by a candidate, a political committee, or its authorized
35 agent;

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

1 (b) "Contribution" does not include:
2 (i) Standard interest on money deposited in a political committee's
3 account;
4 (ii) Ordinary home hospitality;
5 (iii) A contribution received by a candidate or political committee
6 that is returned to the contributor within five business days of the
7 date on which it is received by the candidate or political committee;
8 (iv) A news item, feature, commentary, or editorial in a regularly
9 scheduled news medium that is of primary interest to the general
10 public, that is in a news medium controlled by a person whose business
11 is that news medium, and that is not controlled by a candidate or a
12 political committee;
13 (v) An internal political communication primarily limited to the
14 members of or contributors to a political party organization or
15 political committee, or to the officers, management staff, or
16 stockholders of a corporation or similar enterprise, or to the members
17 of a labor organization or other membership organization;
18 (vi) The rendering of personal services of the sort commonly
19 performed by volunteer campaign workers, or incidental expenses
20 personally incurred by volunteer campaign workers not in excess of
21 fifty dollars personally paid for by the worker. "Volunteer services,"
22 for the purposes of this subsection, means services or labor for which
23 the individual is not compensated by any person;
24 (vii) Messages in the form of reader boards, banners, or yard or
25 window signs displayed on a person's own property or property occupied
26 by a person. However, a facility used for such political advertising
27 for which a rental charge is normally made must be reported as an in-
28 kind contribution and counts towards any applicable contribution limit
29 of the person providing the facility;
30 (viii) Legal or accounting services rendered to or on behalf of:
31 (A) A political party or caucus political committee if the person
32 paying for the services is the regular employer of the person rendering
33 such services; or
34 (B) A candidate or an authorized committee if the person paying for
35 the services is the regular employer of the individual rendering the
36 services and if the services are solely for the purpose of ensuring
37 compliance with state election or public disclosure laws; or

1 (ix) The performance of ministerial functions by a person on behalf
2 of two or more candidates or political committees either as volunteer
3 services defined in (b)(vi) of this subsection or for payment by the
4 candidate or political committee for whom the services are performed as
5 long as:

6 (A) The person performs solely ministerial functions;

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

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

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

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

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

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

34 (16) "Election" includes any primary, general, or special election
35 for public office and any election in which a ballot proposition is
36 submitted to the voters. An election in which the qualifications for
37 voting include other than those requirements set forth in Article VI,

1 section 1 (Amendment 63) of the Constitution of the state of Washington
2 shall not be considered an election for purposes of this chapter.

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

6 (18) "Election cycle" means the period beginning on the first day
7 of January after the date of the last previous general election for the
8 office that the candidate seeks and ending on December 31st after the
9 next election for the office. In the case of a special election to
10 fill a vacancy in an office, "election cycle" means the period
11 beginning on the day the vacancy occurs and ending on December 31st
12 after the special election.

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

16 ~~((+a))~~ (i) Clearly identifies a candidate for a state, local, or
17 judicial office either by specifically naming the candidate, or
18 identifying the candidate without using the candidate's name;

19 ~~((+b))~~ (ii) Is broadcast, transmitted, mailed, erected,
20 distributed, or otherwise published within sixty days before any
21 election for that office in the jurisdiction in which the candidate is
22 seeking election; and

23 ~~((+c))~~ (iii) Either alone, or in combination with one or more
24 communications identifying the candidate by the same sponsor during the
25 sixty days before an election, has a fair market value of ~~((five))~~ one
26 thousand dollars or more.

27 ~~((+20))~~ (b) "Electioneering communication" does not include:

28 ~~((+a))~~ (i) Usual and customary advertising of a business owned by
29 a candidate, even if the candidate is mentioned in the advertising when
30 the candidate has been regularly mentioned in that advertising
31 appearing at least twelve months preceding his or her becoming a
32 candidate;

33 ~~((+b))~~ (ii) Advertising for candidate debates or forums when the
34 advertising is paid for by or on behalf of the debate or forum sponsor,
35 so long as two or more candidates for the same position have been
36 invited to participate in the debate or forum;

37 ~~((+c))~~ (iii) A news item, feature, commentary, or editorial in a
38 regularly scheduled news medium that is:

1 ~~((+i))~~ (A) Of primary interest to the general public;

2 ~~((+ii))~~ (B) In a news medium controlled by a person whose business
3 is that news medium; and

4 ~~((+iii))~~ (C) Not a medium controlled by a candidate or a political
5 committee;

6 ~~((+d))~~ (iv) Slate cards and sample ballots;

7 ~~((+e))~~ (v) Advertising for books, films, dissertations, or similar
8 works ~~((+i))~~ (A) written by a candidate when the candidate entered
9 into a contract for such publications or media at least twelve months
10 before becoming a candidate, or ~~((+ii))~~ (B) written about a candidate;

11 ~~((+f))~~ (vi) Public service announcements;

12 ~~((+g))~~ (vii) A mailed internal political communication primarily
13 limited to the members of or contributors to a political party
14 organization or political committee, or to the officers, management
15 staff, or stockholders of a corporation or similar enterprise, or to
16 the members of a labor organization or other membership organization;

17 ~~((+h))~~ (viii) An expenditure by or contribution to the authorized
18 committee of a candidate for state, local, or judicial office; or

19 ~~((+i))~~ (ix) Any other communication exempted by the commission
20 through rule consistent with the intent of this chapter.

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

35 ~~((+22))~~ (21) "Final report" means the report described as a final
36 report in RCW 42.17A.235(2).

37 ~~((+23))~~ (22) "General election" for the purposes of RCW 42.17A.405

1 means the election that results in the election of a person to a state
2 or local office. It does not include a primary.

3 ~~((+24))~~ (23) "Gift" has the definition in RCW 42.52.010.

4 ~~((+25))~~ (24) "Immediate family" includes the spouse or domestic
5 partner, dependent children, and other dependent relatives, if living
6 in the household. For the purposes of the definition of "intermediary"
7 in this section, "immediate family" means an individual's spouse or
8 domestic partner, and child, stepchild, grandchild, parent, stepparent,
9 grandparent, brother, half brother, sister, or half sister of the
10 individual and the spouse or the domestic partner of any such person
11 and a child, stepchild, grandchild, parent, stepparent, grandparent,
12 brother, half brother, sister, or half sister of the individual's
13 spouse or domestic partner and the spouse or the domestic partner of
14 any such person.

15 ~~((+26))~~ (25) "Incumbent" means a person who is in present
16 possession of an elected office.

17 ~~((+27))~~ (26) "Independent expenditure" means an expenditure that
18 has each of the following elements:

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

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

34 (c) The expenditure, alone or in conjunction with another
35 expenditure or other expenditures of the same person in support of or
36 opposition to that candidate, has a value of eight hundred dollars or
37 more. A series of expenditures, each of which is under eight hundred

1 dollars, constitutes one independent expenditure if their cumulative
2 value is eight hundred dollars or more.

3 ~~((+28+))~~ (27)(a) "Intermediary" means an individual who transmits
4 a contribution to a candidate or committee from another person unless
5 the contribution is from the individual's employer, immediate family,
6 or an association to which the individual belongs.

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

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

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

14 ~~((+29+))~~ (28) "Legislation" means bills, resolutions, motions,
15 amendments, nominations, and other matters pending or proposed in
16 either house of the state legislature, and includes any other matter
17 that may be the subject of action by either house or any committee of
18 the legislature and all bills and resolutions that, having passed both
19 houses, are pending approval by the governor.

20 ~~((+30+))~~ (29) "Legislative office" means the office of a member of
21 the state house of representatives or the office of a member of the
22 state senate.

23 ~~((+31+))~~ (30) "Lobby" and "lobbying" each mean attempting to
24 influence the passage or defeat of any legislation by the legislature
25 of the state of Washington, or the adoption or rejection of any rule,
26 standard, rate, or other legislative enactment of any state agency
27 under the state administrative procedure act, chapter 34.05 RCW.
28 Neither "lobby" nor "lobbying" includes an association's or other
29 organization's act of communicating with the members of that
30 association or organization.

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

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

36 ~~((+34+))~~ (33) "Ministerial functions" means an act or duty carried
37 out as part of the duties of an administrative office without exercise
38 of personal judgment or discretion.

1 (~~(+35+)~~) (34) "Participate" means that, with respect to a
2 particular election, an entity:

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

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

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

9 (d) Makes a recommendation regarding whether a candidate should be
10 supported or opposed before a contribution is made by a subsidiary
11 corporation or local unit with respect to that candidate or that
12 candidate's opponent; or

13 (e) Directly or indirectly collaborates or consults with a
14 subsidiary corporation or local unit on matters relating to the support
15 of or opposition to a candidate, including, but not limited to, the
16 amount of a contribution, when a contribution should be given, and what
17 assistance, services or independent expenditures, or electioneering
18 communications, if any, will be made or should be made in support of or
19 opposition to a candidate.

20 (~~(+36+)~~) (35) "Person" includes an individual, partnership, joint
21 venture, public or private corporation, association, federal, state, or
22 local governmental entity or agency however constituted, candidate,
23 committee, political committee, political party, executive committee
24 thereof, or any other organization or group of persons, however
25 organized.

26 (~~(+37+)~~) (36) "Political advertising" includes any advertising
27 displays, newspaper ads, billboards, signs, brochures, articles,
28 tabloids, flyers, letters, radio or television presentations, or other
29 means of mass communication, used for the purpose of appealing,
30 directly or indirectly, for votes or for financial or other support or
31 opposition in any election campaign.

32 (~~(+38+)~~) (37) "Political committee" means any person (except a
33 candidate or an individual dealing with his or her own funds or
34 property) having the expectation of receiving contributions or making
35 expenditures in support of, or opposition to, any candidate or any
36 ballot proposition.

37 (~~(+39+)~~) (38) "Primary" for the purposes of RCW 42.17A.405 means

1 the procedure for nominating a candidate to state or local office under
2 chapter 29A.52 RCW or any other primary for an election that uses, in
3 large measure, the procedures established in chapter 29A.52 RCW.

4 ~~((40))~~ (39) "Public office" means any federal, state, judicial,
5 county, city, town, school district, port district, special district,
6 or other state political subdivision elective office.

7 ~~((41))~~ (40) "Public record" has the definition in RCW 42.56.010.

8 ~~((42))~~ (41) "Recall campaign" means the period of time beginning
9 on the date of the filing of recall charges under RCW 29A.56.120 and
10 ending thirty days after the recall election.

11 ~~((43))~~ (42)(a) "Sponsor" for purposes of an electioneering
12 communications, independent expenditures, or political advertising~~((4))~~
13 means the person paying for the electioneering communication,
14 independent expenditure, or political advertising. If a person acts as
15 an agent for another or is reimbursed by another for the payment, the
16 original source of the payment is the sponsor.

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

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

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

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

27 (44) "State office" means state legislative office or the office of
28 governor, lieutenant governor, secretary of state, attorney general,
29 commissioner of public lands, insurance commissioner, superintendent of
30 public instruction, state auditor, or state treasurer.

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

32 (46) "Surplus funds" mean, in the case of a political committee or
33 candidate, the balance of contributions that remain in the possession
34 or control of that committee or candidate subsequent to the election
35 for which the contributions were received, and that are in excess of
36 the amount necessary to pay remaining debts incurred by the committee
37 or candidate with respect to that election. In the case of a
38 continuing political committee, "surplus funds" mean those

1 contributions remaining in the possession or control of the committee
2 that are in excess of the amount necessary to pay all remaining debts
3 when it makes its final report under RCW 42.17A.255.

4 (47) "Treasurer" and "deputy treasurer" mean the individuals
5 appointed by a candidate or political committee, pursuant to RCW
6 42.17A.210, to perform the duties specified in that section.

7 **Sec. 3.** RCW 42.17A.205 and 2010 c 205 s 1 and 2010 c 204 s 402 are
8 each reenacted and amended to read as follows:

9 (1) Every political committee shall file a statement of
10 organization with the commission. The statement must be filed within
11 two weeks after organization or within two weeks after the date the
12 committee first has the expectation of receiving contributions or
13 making expenditures in any election campaign, whichever is earlier. A
14 political committee organized within the last three weeks before an
15 election and having the expectation of receiving contributions or
16 making expenditures during and for that election campaign shall file a
17 statement of organization within three business days after its
18 organization or when it first has the expectation of receiving
19 contributions or making expenditures in the election campaign.

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

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

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

25 (c) The names, addresses, and titles of its officers; or if it has
26 no officers, the names, addresses, and titles of its responsible
27 leaders;

28 (d) The name and address of its treasurer and depository;

29 (e) A statement whether the committee is a continuing one;

30 (f) The name, office sought, and party affiliation of each
31 candidate whom the committee is supporting or opposing, and, if the
32 committee is supporting the entire ticket of any party, the name of the
33 party;

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

36 (h) What distribution of surplus funds will be made, in accordance
37 with RCW 42.17A.430, in the event of dissolution;

1 (i) The street address of the place and the hours during which the
2 committee will make available for public inspection its books of
3 account and all reports filed in accordance with RCW 42.17A.235;

4 (j) Such other information as the commission may by regulation
5 prescribe, in keeping with the policies and purposes of this chapter;

6 (k) The name, address, and title of any person who authorizes
7 expenditures or makes decisions on behalf of the candidate or
8 committee; and

9 (1) The name, address, and title of any person who is paid by or is
10 a volunteer for a candidate or political committee to perform
11 ministerial functions and who performs ministerial functions on behalf
12 of two or more candidates or committees.

13 (3) No two political committees may have the same name.

14 (4) Any material change in information previously submitted in a
15 statement of organization shall be reported to the commission within
16 the ten days following the change.

17 (5) As used in this section, the "name" of a sponsored committee
18 must include the name of the person that is the sponsor of the
19 committee. If more than one person meets the definition of sponsor,
20 the name of the committee must include the name of at least one
21 sponsor, but may include the names of other sponsors. A person may
22 sponsor only one political committee for the same elected office or
23 same ballot measure per election cycle.

24 **Sec. 4.** RCW 42.17A.245 and 2010 c 204 s 410 are each amended to
25 read as follows:

26 (1) Each candidate or political committee that expended (~~ten~~)
27 five thousand dollars or more in the preceding year or expects to
28 expend (~~ten~~) five thousand dollars or more in the current year shall
29 file all contribution reports and expenditure reports required by this
30 chapter by the electronic alternative provided by the commission under
31 RCW 42.17A.055. The commission may make exceptions on a case-by-case
32 basis for candidates whose authorized committees lack the technological
33 ability to file reports using the electronic alternative provided by
34 the commission.

35 (2) Failure by a candidate or political committee to comply with
36 this section is a violation of this chapter.

1 NEW SECTION. **Sec. 5.** A new section is added to chapter 42.17A RCW
2 to read as follows:

3 A political committee may make a contribution to another political
4 committee only when the contributing political committee has received
5 contributions of ten dollars or more each from at least ten persons
6 registered to vote in Washington state.

7 **Sec. 6.** RCW 42.17A.750 and 2010 c 204 s 1001 are each amended to
8 read as follows:

9 (1) In addition to the penalties in subsection (2) of this section,
10 and any other remedies provided by law, one or more of the following
11 civil remedies and sanctions may be imposed by court order in addition
12 to any other remedies provided by law:

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

21 ~~((+2))~~ (b) If any lobbyist or sponsor of any grass roots lobbying
22 campaign violates any of the provisions of this chapter, his or her
23 registration may be revoked or suspended and he or she may be enjoined
24 from receiving compensation or making expenditures for lobbying. The
25 imposition of a sanction shall not excuse the lobbyist from filing
26 statements and reports required by this chapter.

27 ~~((+3))~~ (c) A person who violates any of the provisions of this
28 chapter may be subject to a civil penalty of not more than ten thousand
29 dollars for each violation. However, a person or entity who violates
30 RCW 42.17A.405 may be subject to a civil penalty of ten thousand
31 dollars or three times the amount of the contribution illegally made or
32 accepted, whichever is greater.

33 ~~((+4))~~ (d) A person who fails to file a properly completed
34 statement or report within the time required by this chapter may be
35 subject to a civil penalty of ten dollars per day for each day each
36 delinquency continues.

1 ~~((+5))~~ (e) A person who fails to report a contribution or
2 expenditure as required by this chapter may be subject to a civil
3 penalty equivalent to the amount not reported as required.

4 ~~((+6))~~ (f) The court may enjoin any person to prevent the doing of
5 any act herein prohibited, or to compel the performance of any act
6 required herein.

7 (2) The commission may refer the following violations for criminal
8 prosecution:

9 (a) A person who, with actual malice, violates a provision of this
10 chapter is guilty of a misdemeanor under chapter 9.92 RCW;

11 (b) A person who, within a five-year period, with actual malice,
12 violates three or more provisions of this chapter is guilty of a gross
13 misdemeanor under chapter 9.92 RCW; and

14 (c) A person who, with actual malice, procures or offers any false
15 or forged document to be filed, registered, or recorded with the
16 commission under this chapter is guilty of a class C felony under
17 chapter 9.94A RCW.

18 **Sec. 7.** RCW 42.17A.755 and 2010 c 204 s 1002 are each amended to
19 read as follows:

20 (1) The commission may (a) determine whether an actual violation of
21 this chapter has occurred; and (b) issue and enforce an appropriate
22 order following such a determination.

23 (2) The commission, in cases where it chooses to determine whether
24 an actual violation has occurred, shall hold a hearing pursuant to the
25 administrative procedure act, chapter 34.05 RCW, to make a
26 determination. Any order that the commission issues under this section
27 shall be pursuant to such a hearing.

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

31 (4) The person against whom an order is directed under this section
32 shall be designated as the respondent. The order may require the
33 respondent to cease and desist from the activity that constitutes a
34 violation and in addition, or alternatively, may impose one or more of
35 the remedies provided in RCW 42.17A.750 ~~((+2) through (+5))~~ (1) (b)
36 through (e). ~~((No individual penalty assessed by the commission may~~
37 ~~exceed one thousand seven hundred dollars, and in any case where~~

1 ~~multiple violations are involved in a single complaint or hearing, the~~
2 ~~maximum aggregate penalty may not exceed four thousand two hundred))~~
3 The commission may assess a penalty in an amount not to exceed ten
4 thousand dollars.

5 (5) The commission has the authority to waive a fine for a first-
6 time violation. A second violation of the same rule by the same person
7 or individual, regardless if the person or individual committed the
8 violation for a different political committee, shall result in a fine.
9 Succeeding violations of the same rule shall result in successively
10 increased fines.

11 (6) An order issued by the commission under this section shall be
12 subject to judicial review under the administrative procedure act,
13 chapter 34.05 RCW. If the commission's order is not satisfied and no
14 petition for review is filed within thirty days, the commission may
15 petition a court of competent jurisdiction of any county in which a
16 petition for review could be filed under that section, for an order of
17 enforcement. Proceedings in connection with the commission's petition
18 shall be in accordance with RCW 42.17A.760.

19 NEW SECTION. Sec. 8. This act takes effect January 1, 2012.

20 NEW SECTION. Sec. 9. If any provision of this act or its
21 application to any person or circumstance is held invalid, the
22 remainder of the act or the application of the provision to other
23 persons or circumstances is not affected."

24 Correct the title.

EFFECT: Removes those portions of the definition of "sponsor" for purposes of a political committee that refer to administrative services and soliciting contributions; changes "expenditure" to "contribution" for purposes of making a contribution from one political committee to another; corrects citations for criminal penalties and changes the intent from "intentional" to "actual malice;" allows the PDC to refer certain violations for criminal prosecution; requires the PDC to fine second time violations by the same person and increase fines for successive violations; and changes the effective date to January 1, 2012.

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