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HOUSE BILL 2942

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State of Washington

66th Legislature

2020 Regular Session

By Representative Pellicciotti

1 AN ACT Relating to certification concerning the level of foreign  
2 national ownership and control of entities that participate in  
3 Washington state elections; amending RCW 42.17A.005, 42.17A.240,  
4 42.17A.250, and 42.17A.255; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** The legislature finds that upholding the  
7 First Amendment rights of freedom of speech and free association, as  
8 they relate to participating in elections, are core values in the  
9 United States. The United States supreme court has repeatedly held  
10 that these rights include the right to make campaign contributions in  
11 support of candidates and ballot measures at the federal, state, and  
12 local levels.

13 The legislature also finds, in accordance with federal law, that  
14 these rights are reserved solely for citizens of the United States,  
15 whether they act as individuals or in association. The First  
16 Amendment protection does not apply to foreign nationals, who are  
17 forbidden under 52 U.S.C. Sec. 30121 from directly or indirectly  
18 making political contributions or financing so-called independent  
19 expenditures and electioneering communications, either individually  
20 or collectively through a corporation or other association.  
21 Furthermore, federal law prohibits any person from knowingly

1 soliciting or receiving contributions from a foreign national.  
2 Therefore, it falls to individual states to help protect the  
3 prohibition on foreign influence in our state and local elections by  
4 requiring that corporations that make political contributions must  
5 certify that they are not owned or controlled by foreign nationals.  
6 While the percentage of ownership or control does not represent the  
7 full extent of possible foreign influence, it does provide a clear  
8 standard in assisting candidates and political committees in  
9 identifying foreign influence.

10 **Sec. 2.** RCW 42.17A.005 and 2019 c 428 s 3 are each amended to  
11 read as follows:

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

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

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

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

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

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

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

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

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

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

9 (7) "Books of account" means:

10 (a) In the case of a campaign or political committee, a ledger or  
11 similar listing of contributions, expenditures, and debts, such as a  
12 campaign or committee is required to file regularly with the  
13 commission, current as of the most recent business day; or

14 (b) In the case of a commercial advertiser, details of political  
15 advertising or electioneering communications provided by the  
16 advertiser, including the names and addresses of persons from whom it  
17 accepted political advertising or electioneering communications, the  
18 exact nature and extent of the services rendered and the total cost  
19 and the manner of payment for the services.

20 (8) "Candidate" means any individual who seeks nomination for  
21 election or election to public office. An individual seeks nomination  
22 or election when the individual first:

23 (a) Receives contributions or makes expenditures or reserves  
24 space or facilities with intent to promote the individual's candidacy  
25 for office;

26 (b) Announces publicly or files for office;

27 (c) Purchases commercial advertising space or broadcast time to  
28 promote the individual's candidacy; or

29 (d) Gives consent to another person to take on behalf of the  
30 individual any of the actions in (a) or (c) of this subsection.

31 (9) "Caucus political committee" means a political committee  
32 organized and maintained by the members of a major political party in  
33 the state senate or state house of representatives.

34 (10) "Commercial advertiser" means any person that sells the  
35 service of communicating messages or producing material for broadcast  
36 or distribution to the general public or segments of the general  
37 public whether through brochures, fliers, newspapers, magazines,  
38 television, radio, billboards, direct mail advertising, printing,  
39 paid internet or digital communications, or any other means of mass  
40 communications used for the purpose of appealing, directly or

1 indirectly, for votes or for financial or other support in any  
2 election campaign.

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

5 (12) "Committee" unless the context indicates otherwise, includes  
6 a political committee such as a candidate, ballot proposition,  
7 recall, political, or continuing political committee.

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

15 (14) "Continuing political committee" means a political committee  
16 that is an organization of continuing existence not limited to  
17 participation in any particular election campaign or election cycle.

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

19 (i) A loan, gift, deposit, subscription, forgiveness of  
20 indebtedness, donation, advance, pledge, payment, transfer of funds,  
21 or anything of value, including personal and professional services  
22 for less than full consideration;

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

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

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

37 (b) "Contribution" does not include:

38 (i) Accrued interest on money deposited in a political or  
39 incidental committee's account;

40 (ii) Ordinary home hospitality;

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

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

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

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

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

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

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

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

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

40 (A) The person performs solely ministerial functions;

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

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

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

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

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

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

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

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

39 (20) "Election cycle" means the period beginning on the first day  
40 of January after the date of the last previous general election for

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

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

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

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

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

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

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

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

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

33 (A) Of interest to the public;

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

36 (C) Not a medium controlled by a candidate or a political or  
37 incidental committee;

38 (iv) Slate cards and sample ballots;

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

40 (A) written by a candidate when the candidate entered into a contract

1 for such publications or media at least twelve months before becoming  
2 a candidate, or (B) written about a candidate;

3 (vi) Public service announcements;

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

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

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

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

28 (23) "Final report" means the report described as a final report  
29 in RCW 42.17A.235(11)(a).

30 (24) "Foreign national" includes:

31 (a) An individual who is not a citizen of the United States and  
32 who is not lawfully admitted for permanent residence;

33 (b) A government, or subdivision, of a foreign country;

34 (c) A foreign political party; and

35 (d) Any entity, such as a partnership, limited liability  
36 corporation, or professional limited liability corporation; an  
37 association, corporation, organization, or other similar entity; or a  
38 combination of persons, organized under the laws of, or having its  
39 principal place of business in, a foreign country.



1        (25) "General election" for the purposes of RCW 42.17A.405 means  
2 the election that results in the election of a person to a state or  
3 local office. It does not include a primary.

4        ~~((25))~~ (26) "Gift" has the definition in RCW 42.52.010.

5        ~~((26))~~ (27) "Immediate family" includes the spouse or domestic  
6 partner, dependent children, and other dependent relatives, if living  
7 in the household. For the purposes of the definition of  
8 "intermediary" in this section, "immediate family" means an  
9 individual's spouse or domestic partner, and child, stepchild,  
10 grandchild, parent, stepparent, grandparent, brother, half brother,  
11 sister, or half sister of the individual and the spouse or the  
12 domestic partner of any such person and a child, stepchild,  
13 grandchild, parent, stepparent, grandparent, brother, half brother,  
14 sister, or half sister of the individual's spouse or domestic partner  
15 and the spouse or the domestic partner of any such person.

16        ~~((27))~~ (28) "Incidental committee" means any nonprofit  
17 organization not otherwise defined as a political committee but that  
18 may incidentally make a contribution or an expenditure in excess of  
19 the reporting thresholds in RCW 42.17A.235, directly or through a  
20 political committee. Any nonprofit organization is not an incidental  
21 committee if it is only remitting payments through the nonprofit  
22 organization in an aggregated form and the nonprofit organization is  
23 not required to report those payments in accordance with this  
24 chapter.

25        ~~((28))~~ (29) "Incumbent" means a person who is in present  
26 possession of an elected office.

27        ~~((29))~~ (30)(a) "Independent expenditure" means an expenditure  
28 that has each of the following elements:

29        (i) It is made in support of or in opposition to a candidate for  
30 office by a person who is not:

31        (A) A candidate for that office;

32        (B) An authorized committee of that candidate for that office;

33        and

34        (C) A person who has received the candidate's encouragement or  
35 approval to make the expenditure, if the expenditure pays in whole or  
36 in part for political advertising supporting that candidate or  
37 promoting the defeat of any other candidate or candidates for that  
38 office;

39        (ii) It is made in support of or in opposition to a candidate for  
40 office by a person with whom the candidate has not collaborated for

1 the purpose of making the expenditure, if the expenditure pays in  
2 whole or in part for political advertising supporting that candidate  
3 or promoting the defeat of any other candidate or candidates for that  
4 office;

5 (iii) The expenditure pays in whole or in part for political  
6 advertising that either specifically names the candidate supported or  
7 opposed, or clearly and beyond any doubt identifies the candidate  
8 without using the candidate's name; and

9 (iv) The expenditure, alone or in conjunction with another  
10 expenditure or other expenditures of the same person in support of or  
11 opposition to that candidate, has a value of one thousand dollars or  
12 more. A series of expenditures, each of which is under one thousand  
13 dollars, constitutes one independent expenditure if their cumulative  
14 value is one thousand dollars or more.

15 (b) "Independent expenditure" does not include: Ordinary home  
16 hospitality; communications with journalists or editorial staff  
17 designed to elicit a news item, feature, commentary, or editorial in  
18 a regularly scheduled news medium that is of primary interest to the  
19 general public, controlled by a person whose business is that news  
20 medium, and not controlled by a candidate or a political committee;  
21 participation in the creation of a publicly funded voters pamphlet  
22 statement in written or video form; an internal political  
23 communication primarily limited to contributors to a political party  
24 organization or political action committee, the officers, management  
25 staff, and stockholders of a corporation or similar enterprise, or  
26 the members of a labor organization or other membership organization;  
27 or the rendering of personal services of the sort commonly performed  
28 by volunteer campaign workers or incidental expenses personally  
29 incurred by volunteer campaign workers not in excess of two hundred  
30 fifty dollars personally paid for by the worker.

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

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

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

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

3 (~~(31)~~) (32) "Legislation" means bills, resolutions, motions,  
4 amendments, nominations, and other matters pending or proposed in  
5 either house of the state legislature, and includes any other matter  
6 that may be the subject of action by either house or any committee of  
7 the legislature and all bills and resolutions that, having passed  
8 both houses, are pending approval by the governor.

9 (~~(32)~~) (33) "Legislative office" means the office of a member  
10 of the state house of representatives or the office of a member of  
11 the state senate.

12 (~~(33)~~) (34) "Lobby" and "lobbying" each mean attempting to  
13 influence the passage or defeat of any legislation by the legislature  
14 of the state of Washington, or the adoption or rejection of any rule,  
15 standard, rate, or other legislative enactment of any state agency  
16 under the state administrative procedure act, chapter 34.05 RCW.  
17 Neither "lobby" nor "lobbying" includes an association's or other  
18 organization's act of communicating with the members of that  
19 association or organization.

20 (~~(34)~~) (35) "Lobbyist" includes any person who lobbies either  
21 on the person's own or another's behalf.

22 (~~(35)~~) (36) "Lobbyist's employer" means the person or persons  
23 by whom a lobbyist is employed and all persons by whom the lobbyist  
24 is compensated for acting as a lobbyist.

25 (~~(36)~~) (37) "Ministerial functions" means an act or duty  
26 carried out as part of the duties of an administrative office without  
27 exercise of personal judgment or discretion.

28 (~~(37)~~) (38) "Participate" means that, with respect to a  
29 particular election, an entity:

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

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

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

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

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

8 ~~((38))~~ (39) "Person" includes an individual, partnership, joint  
9 venture, public or private corporation, association, federal, state,  
10 or local governmental entity or agency however constituted,  
11 candidate, committee, political committee, political party, executive  
12 committee thereof, or any other organization or group of persons,  
13 however organized.

14 ~~((39))~~ (40) "Political advertising" includes any advertising  
15 displays, newspaper ads, billboards, signs, brochures, articles,  
16 tabloids, flyers, letters, radio or television presentations, digital  
17 communication, or other means of mass communication, used for the  
18 purpose of appealing, directly or indirectly, for votes or for  
19 financial or other support or opposition in any election campaign.

20 ~~((40))~~ (41) "Political committee" means any person (except a  
21 candidate or an individual dealing with the candidate's or  
22 individual's own funds or property) having the expectation of  
23 receiving contributions or making expenditures in support of, or  
24 opposition to, any candidate or any ballot proposition.

25 ~~((41))~~ (42) "Primary" for the purposes of RCW 42.17A.405 means  
26 the procedure for nominating a candidate to state or local office  
27 under chapter 29A.52 RCW or any other primary for an election that  
28 uses, in large measure, the procedures established in chapter 29A.52  
29 RCW.

30 ~~((42))~~ (43) "Public office" means any federal, state, judicial,  
31 county, city, town, school district, port district, special district,  
32 or other state political subdivision elective office.

33 ~~((43))~~ (44) "Public record" has the definition in RCW  
34 42.56.010.

35 ~~((44))~~ (45) "Recall campaign" means the period of time  
36 beginning on the date of the filing of recall charges under RCW  
37 29A.56.120 and ending thirty days after the recall election.

38 ~~((45))~~ (46) "Remediable violation" means any violation of this  
39 chapter that:

1 (a) Involved expenditures or contributions totaling no more than  
2 the contribution limits set out under RCW 42.17A.405(2) per election,  
3 or one thousand dollars if there is no statutory limit;

4 (b) Occurred:

5 (i) More than thirty days before an election, where the  
6 commission entered into an agreement to resolve the matter; or

7 (ii) At any time where the violation did not constitute a  
8 material violation because it was inadvertent and minor or otherwise  
9 has been cured and, after consideration of all the circumstances,  
10 further proceedings would not serve the purposes of this chapter;

11 (c) Does not materially harm the public interest, beyond the harm  
12 to the policy of this chapter inherent in any violation; and

13 (d) Involved:

14 (i) A person who:

15 (A) Took corrective action within five business days after the  
16 commission first notified the person of noncompliance, or where the  
17 commission did not provide notice and filed a required report within  
18 twenty-one days after the report was due to be filed; and

19 (B) Substantially met the filing deadline for all other required  
20 reports within the immediately preceding twelve-month period; or

21 (ii) A candidate who:

22 (A) Lost the election in question; and

23 (B) Did not receive contributions over one hundred times the  
24 contribution limit in aggregate per election during the campaign in  
25 question.

26 (~~((46))~~) (47)(a) "Sponsor" for purposes of an electioneering  
27 communications, independent expenditures, or political advertising  
28 means the person paying for the electioneering communication,  
29 independent expenditure, or political advertising. If a person acts  
30 as an agent for another or is reimbursed by another for the payment,  
31 the original source of the payment is the sponsor.

32 (b) "Sponsor," for purposes of a political or incidental  
33 committee, means any person, except an authorized committee, to whom  
34 any of the following applies:

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

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

1       (~~(47)~~) (48) "Sponsored committee" means a committee, other than  
2 an authorized committee, that has one or more sponsors.

3       (~~(48)~~) (49) "State office" means state legislative office or  
4 the office of governor, lieutenant governor, secretary of state,  
5 attorney general, commissioner of public lands, insurance  
6 commissioner, superintendent of public instruction, state auditor, or  
7 state treasurer.

8       (~~(49)~~) (50) "State official" means a person who holds a state  
9 office.

10       (~~(50)~~) (51) "Surplus funds" mean, in the case of a political  
11 committee or candidate, the balance of contributions that remain in  
12 the possession or control of that committee or candidate subsequent  
13 to the election for which the contributions were received, and that  
14 are in excess of the amount necessary to pay remaining debts or  
15 expenses incurred by the committee or candidate with respect to that  
16 election. In the case of a continuing political committee, "surplus  
17 funds" mean those contributions remaining in the possession or  
18 control of the committee that are in excess of the amount necessary  
19 to pay all remaining debts or expenses when it makes its final report  
20 under RCW 42.17A.255.

21       (~~(51)~~) (52) "Technical correction" means the correction of a  
22 minor or ministerial error in a required report that does not  
23 materially harm the public interest and needs to be corrected for the  
24 report to be in full compliance with the requirements of this  
25 chapter.

26       (~~(52)~~) (53) "Treasurer" and "deputy treasurer" mean the  
27 individuals appointed by a candidate or political or incidental  
28 committee, pursuant to RCW 42.17A.210, to perform the duties  
29 specified in that section.

30       (~~(53)~~) (54) "Violation" means a violation of this chapter that  
31 is not a remediable violation, minor violation, or an error  
32 classified by the commission as appropriate to address by a technical  
33 correction.

34       **Sec. 3.** RCW 42.17A.240 and 2019 c 428 s 21 are each amended to  
35 read as follows:

36       Each report required under RCW 42.17A.235 (1) through (4) must be  
37 certified as correct by the treasurer and the candidate and shall  
38 disclose the following, except an incidental committee only must

1 disclose and certify as correct the information required under  
2 subsections (2) (d), (5), and (~~(6)~~) (7) of this section:

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

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

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

12 (b) Income that results from a fund-raising activity conducted in  
13 accordance with RCW 42.17A.230 may be reported as one lump sum, with  
14 the exception of that portion received from persons whose names and  
15 addresses are required to be included in the report required by RCW  
16 42.17A.230;

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

22 (d) Payments received by an incidental committee from any one  
23 person need not be reported unless the person is one of the  
24 committee's ten largest sources of payments received, including any  
25 persons tied as the tenth largest source of payments received, during  
26 the current calendar year, and the value of the cumulative payments  
27 received from that person during the current calendar year is ten  
28 thousand dollars or greater. For payments to incidental committees  
29 from multiple persons received in aggregated form, any payment of  
30 more than ten thousand dollars from any single person must be  
31 reported, but the aggregated payment itself may not be reported. The  
32 commission may suspend or modify reporting requirements for payments  
33 received by an incidental committee in cases of manifestly  
34 unreasonable hardship under this chapter;

35 (e) Payments from private foundations organized under section  
36 501(c)(3) of the internal revenue code to an incidental committee do  
37 not have to be reported if:

38 (i) The private foundation is contracting with the incidental  
39 committee for a specific purpose other than election campaign  
40 purposes;

1 (ii) Use of the funds for election campaign purposes is  
2 explicitly prohibited by contract; and

3 (iii) Funding from the private foundation represents less than  
4 twenty-five percent of the incidental committee's total budget;

5 (f) Commentary or analysis on a ballot proposition by an  
6 incidental committee is not considered a contribution if it does not  
7 advocate specifically to vote for or against the ballot proposition;  
8 and

9 (g) The money value of contributions of postage is the face value  
10 of the postage;

11 (3) Each loan, promissory note, or security instrument to be used  
12 by or for the benefit of the candidate or political committee made by  
13 any person, including the names and addresses of the lender and each  
14 person liable directly, indirectly or contingently and the date and  
15 amount of each such loan, promissory note, or security instrument;

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

17 (5) A certification from each entity making a contribution to the  
18 candidate, political committee, or incidental committee that the  
19 entity is not owned or controlled by fifty percent or more foreign  
20 nationals;

21 (6) The name and address of each candidate or political committee  
22 to which any transfer of funds was made, including the amounts and  
23 dates of the transfers;

24 ~~((+6))~~ (7) The name and address of each person to whom an  
25 expenditure was made in the aggregate amount of more than fifty  
26 dollars during the period covered by this report, the amount, date,  
27 and purpose of each expenditure, and the total sum of all  
28 expenditures. An incidental committee only must report on  
29 expenditures, made and reportable as contributions as defined in RCW  
30 42.17A.005, to election campaigns. For purposes of this subsection,  
31 commentary or analysis on a ballot proposition by an incidental  
32 committee is not considered an expenditure if it does not advocate  
33 specifically to vote for or against the ballot proposition;

34 ~~((+7))~~ (8) The name, address, and electronic contact information  
35 of each person to whom an expenditure was made for soliciting or  
36 procuring signatures on an initiative or referendum petition, the  
37 amount of the compensation to each person, and the total expenditures  
38 made for this purpose. Such expenditures shall be reported under this  
39 subsection in addition to what is required to be reported under  
40 subsection ~~((+6))~~ (7) of this section;



1       (~~(8)~~) (9) (a) The name and address of any person and the amount  
2 owed for any debt with a value of more than seven hundred fifty  
3 dollars that has not been paid for any invoices submitted, goods  
4 received, or services performed, within five business days during the  
5 period within thirty days before an election, or within ten business  
6 days during any other period.

7       (b) For purposes of this subsection, debt does not include  
8 regularly recurring expenditures of the same amount that have already  
9 been reported at least once and that are not late or outstanding;

10       (~~(9)~~) (10) The surplus or deficit of contributions over  
11 expenditures;

12       (~~(10)~~) (11) The disposition made in accordance with RCW  
13 42.17A.430 of any surplus funds; and

14       (~~(11)~~) (12) Any other information required by the commission by  
15 rule in conformance with the policies and purposes of this chapter.

16       **Sec. 4.** RCW 42.17A.250 and 2010 c 204 s 411 are each amended to  
17 read as follows:

18       (1) An out-of-state political committee organized for the purpose  
19 of supporting or opposing candidates or ballot propositions in  
20 another state that is not otherwise required to report under RCW  
21 42.17A.205 through 42.17A.240 shall report as required in this  
22 section when it makes an expenditure supporting or opposing a  
23 Washington state candidate or political committee. The committee  
24 shall file with the commission a statement disclosing:

25       (a) Its name and address;

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

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

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

34       (e) The ballot proposition supported or opposed in the state of  
35 Washington, if any, and whether the committee is in favor of or  
36 opposed to that proposition;

37       (f) The name and address of each person residing in the state of  
38 Washington or corporation that has a place of business in the state  
39 of Washington who has made one or more contributions in the aggregate

1 of more than twenty-five dollars to the out-of-state committee during  
2 the current calendar year, together with the money value and date of  
3 the contributions;

4 (g) The name, address, and employer of each person or corporation  
5 residing outside the state of Washington who has made one or more  
6 contributions in the aggregate of more than two thousand five hundred  
7 fifty dollars to the out-of-state committee during the current  
8 calendar year, together with the money value and date of the  
9 contributions. Annually, the commission must modify the two thousand  
10 five hundred fifty dollar limit in this subsection based on  
11 percentage change in the implicit price deflator for personal  
12 consumption expenditures for the United States as published for the  
13 most recent twelve-month period by the bureau of economic analysis of  
14 the federal department of commerce;

15 (h) The name and address of each person in the state of  
16 Washington to whom an expenditure was made by the out-of-state  
17 committee with respect to a candidate or political committee in the  
18 aggregate amount of more than fifty dollars, the amount, date, and  
19 purpose of the expenditure, and the total sum of the expenditures;  
20 ((and))

21 (i) A certification from each entity making a contribution  
22 reportable under this section to the candidate or political committee  
23 that the entity is not owned or controlled by fifty percent or more  
24 foreign nationals; and

25 (j) Any other information as the commission may prescribe by rule  
26 in keeping with the policies and purposes of this chapter.

27 (2) Each statement shall be filed no later than the tenth day of  
28 the month following any month in which a contribution or other  
29 expenditure reportable under subsection (1) of this section is made.  
30 An out-of-state committee incurring an obligation to file additional  
31 statements in a calendar year may satisfy the obligation by timely  
32 filing reports that supplement previously filed information.

33 **Sec. 5.** RCW 42.17A.255 and 2019 c 428 s 22 are each amended to  
34 read as follows:

35 (1) For the purposes of this section the term "independent  
36 expenditure" means any expenditure that is made in support of or in  
37 opposition to any candidate or ballot proposition and is not  
38 otherwise required to be reported pursuant to RCW 42.17A.225,  
39 42.17A.235, and 42.17A.240. "Independent expenditure" does not

1 include: An internal political communication primarily limited to the  
2 contributors to a political party organization or political action  
3 committee, or the officers, management staff, and stockholders of a  
4 corporation or similar enterprise, or the members of a labor  
5 organization or other membership organization; or the rendering of  
6 personal services of the sort commonly performed by volunteer  
7 campaign workers, or incidental expenses personally incurred by  
8 volunteer campaign workers not in excess of fifty dollars personally  
9 paid for by the worker. "Volunteer services," for the purposes of  
10 this section, means services or labor for which the individual is not  
11 compensated by any person.

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

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

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

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

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

34 The report filed pursuant to (a) of this subsection (3) shall be  
35 the final report, and upon submitting such final report the duties of  
36 the reporting person shall cease, and there shall be no obligation to  
37 make any further reports.

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

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

7 (a) The name, address, and electronic contact information of the  
8 person filing the report;

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

17 (c) The total sum of all independent expenditures made during the  
18 campaign to date; (~~and~~)

19 (d) A certification of any entity making the expenditure that it  
20 is not owned or controlled by fifty percent or more foreign  
21 nationals; and

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

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