

PUBLIC DISCLOSURE COMMISSION

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To: Members, Washington State Public Disclosure Commission

From: Lori Anderson, Communications & Training Officer

Date: October 15, 2015

Re: Rule Making Discussion and Possible Approval of Draft Language Adjusting Dollar

Amounts Found in RCW 42.17A

A discussion of possible amendments to WAC 390-05-400 *Changes in dollar amounts* and WAC 390-16-050 *Forms for contributions and expenditures of out-of-state political committees* is scheduled for the October 22 meeting. The potential amendments would adjust certain dollar amounts found in RCW 42.17A, as directed by statute.

WAC 390-05-400 Changes in dollar amounts:

At the beginning of every even-numbered year, RCW 42.17A.125(1) provides that the Commission shall increase or decrease the contribution limits and other dollar amounts enacted by Initiative 134 and subsequent legislation. The statutory formula mandates that each dollar amount be multiplied by the level of inflation as estimated by the Implicit Price Deflator. The product is the "target amount" for each adjusted value. The actual adjusted amount adopted by the Commission must be within 10% of the target amount and "convenient for public understanding."

The current amounts enacted in 2014 are still within 10% of the 2016 target amounts and could remain in effect through 2016 and 2017. The Commission may choose to not change the dollar amounts or make inflationary adjustments that would either:

- 1. Increase contribution limits and the other dollar amounts as shown in attached Option A. This draft language will amend WAC 390-05-400 to increase the dollar amounts <u>and</u> reinstate I-134's pattern of aligning bona fide party committees' limits by having the caucus campaign committees' and state party committees' limit double that of the local party committees. The Commission maintained the pattern through its adjustments until 2014, when an anomaly caused a deviation from the pattern; or
- 2. Leave the current amounts in effect, but use this opportunity to restore the pattern of doubled bona fide party limits by adjusting the state bona fide party's and caucus campaign committee's multipliers, as shown in draft Option B.

WAC 390-16-050 Forms for contributions and expenditures of out-of-state political committees:

The law also requires an annual modification to the disclosure threshold for large, out-of-state contributions reported by an out-of-state political committee.¹ RCW 42.17A.250(1)(g). The modification is calculated using the percentage change in the implicit price deflator for personal consumption expenditures for the U.S. as published for the most recent 12-month period by the U.S. Dept. of Commerce. The modification is implemented by amending WAC 390-16-050 Forms for contributions and expenditures of out-of-state political committees (C-5 form, section 12). The attached proposed draft amendment to WAC 390-16-050 changes the disclosure threshold from \$2,645 to \$2,680.

Commission Action:

The Commission must decide whether to make inflationary adjustments to the dollar amounts enacted by Initiative 134 and, if necessary, approve the draft language proposed in Option A or Option B to amend WAC 390-05-400 accordingly. Staff also requests the Commission approve the proposed draft language to amend WAC 390-16-050 as presented in the attachments.

The draft language, as approved, will be filed with the Code Reviser and a public hearing will likely be scheduled for the January 2016 meeting.

Attachment: Draft language for proposed amendment to WAC 390-05-400

- Proposal A makes inflationary increases
- Proposal B restores the pattern of doubled amounts without across-theboard increases

Draft language for proposed amendment to WAC 390-16-050

¹ Instead of registering with the PDC and reporting all activity, an out-of-state political committee that spends over \$50 to support or oppose state or local candidates and/or ballot measures discloses those expenditures as well as contributions exceeding \$25 it received in the calendar year from Washington residents and contributions exceeding \$2,645 received from anyone outside of Washington, provided that the committee is registered and has been filing disclosure reports elsewhere for at least two years and its Washington state expenditures are less than 20% of the committee's campaign activity in the calendar year.

Proposal A

WAC 390-05-400 Changes in dollar amounts. Pursuant to the requirement in RCW 42.17A.125 that the commission biennially revise the dollar amounts found in Initiative 134 and RCW 42.17A.410 to reflect changes in economic conditions, the following revisions are made:

Code Section	3	Amount Enacted or Last Revised	2014 Revision
.005	Definition of "Independent		
	Expenditure"	<u>((\$900))</u> \$950	<u>((\$950))<mark>\$1,000</mark></u>
.445(3)	Reimbursement of candidate for loan to		
	own campaign	<u>((\$5,000))</u> \$5,500	<u>((\$5,500)) <mark>\$6,000</mark></u>
.630(1)	Report—		
	Applicability of provisions to		
	Persons who made contributions	<u>((\$18,000))</u> \$19,000	<u>((\$19,000))</u> \$20,000
	Persons who made independent		
	expenditures	<u>((\$900)) \$950</u>	<u>((\$950)) \$1,000</u>
.405(2)	Contribution Limits—		
	Candidates for state leg. office	<u>((\$900)) \$950</u>	<u>((\$950))</u> \$1,000
	Candidates for county office	((\$900)) \$950	<u>((\$950))</u> \$1,000
	Candidates for other state office	<u>((\$1,800))</u> \$1,900	((\$1,900)) \$2,000
	Candidates for special purpose districts	((\$1,800)) \$1,900	((\$1,900)) \$2,000
	Candidates for city council office	((\$900)) \$950	<u>((\$950))</u> \$1,000
	Candidates for mayoral office	((\$900)) \$950	((\$950) \$1,000
	Candidates for school board office	((\$900)) \$950	((\$950)) \$1,000
	Candidates for hospital district	((\$800)) \$950	((\$950)) \$1,000
.405(3)	Contribution Limits—	-	
	State official up for recall or pol comm.		
	supporting recall—		
	State Legislative Office	((\$900))	<u>((\$950))</u> \$1,000
	Other State Office	((\$1,800)) \$1,900	<u>((\$1,900))</u> \$2,000
.405(4)	Contribution Limits—	<u> </u>	
,	Contributions made by political parties		
	and caucus committees		
	State parties and caucus committees	((. 90)) .95 per voter	((.95)) \$1.00 per registered
	1	1	voter
	County and leg. district parties	((.45)).50 per voter	.50 per registered voter
	Limit for all county and leg. district		
	parties to a candidate	((.45)) .50 per voter	.50 per registered voter
.405(5)	Contribution Limits—		
	Contributions made by pol. parties and cauc	us	
	committees to state official up for recall or		
	committee supporting recall		
	State parties and caucuses	((. 90)) .95 per voter	((<mark>.95)) \$1.00</mark> per registered voter
	County and leg. district parties	((.45)) .50 per voter	.50 per registered voter

Code Section	Subject Matter	Amount Enacted or Last Revised	2014 Revision	
	Limit for all county and leg. district parties	3		
	to state official up for recall or pol. comm.			
	supporting recall	<u>((.45)) .50</u> per voter	.50 per registered voter	
.405(7)	Limits on contributions to political parties			
	and caucus committees			
	To caucus committee	<u>((\$900))</u> \$950	<u>((\$950))</u> \$1,000	
	To political party	<u>((\$4,500))</u> \$5,000	<u>((\$5,000))</u> \$5,500	
.410(1)	Candidates for judicial office	<u>((\$1,800)) \$1,900</u>	<u>((\$1,900)) \$2,000</u>	
.475	Contribution must be made by			
	written instrument	<u>((\$90)) \$95</u>	<u>((\$95)) \$100</u>	

[Statutory Authority: RCW 42.17A.110, 42.17A.125(1), and 42.17A.250 (1)(g). WSR 14-01-010, § 390-05-400, filed 12/5/13, effective 1/5/14. Statutory Authority: RCW 42.17A.110 and 42.17A.125. WSR 13-05-012, § 390-05-400, filed 2/7/13, effective 3/10/13. Statutory Authority: RCW 42.17.110 and 42.17.125. WSR 12-10-041, § 390-05-400, filed 4/27/12, effective 5/28/12. Statutory Authority: RCW 42.17.370(1) 42.17.690. WSR 12-01-032, § 390-05-400, filed 12/13/11, effective 1/13/12. Statutory Authority: RCW 42.17.370(1), 42.17.690, 42.17.645. WSR 08-04-022, § 390-05-400, filed 1/28/08, effective 2/28/08. Statutory Authority: RCW 42.17.370. WSR 07-07-005, § 390-05-400, filed 3/8/07, effective 4/8/07. Statutory Authority: RCW 42.17.370 and 42.17.690. WSR 06-07-001, § 390-05-400, filed 3/1/06, effective 4/1/06. Statutory Authority: RCW 42.17.690. WSR 03-22-064, § 390-05-400, filed 11/4/03, effective 1/1/04. Statutory Authority: RCW 42.17.370 and 42.17.690. WSR 01-22-050, § 390-05-400, filed 10/31/01, effective 1/1/02. Statutory Authority: RCW 42.17.370(1). WSR 00-04-

Proposal B

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	own campaign	\$5,000	\$5,500
.630(1)	Report—		
	Applicability of provisions to		
	Persons who made contributions	\$18,000	\$19,000
	Persons who made independent		
	expenditures	\$900	\$950
.405(2)	Contribution Limits—		
	Candidates for state leg. office	\$900	\$950
	Candidates for county office	\$900	\$950
	Candidates for other state office	\$1,800	\$1,900
	Candidates for special purpose districts	\$1,800	\$1,900
	Candidates for city council office	\$900	\$950
	Candidates for mayoral office	\$900	\$950
	Candidates for school board office	\$900	\$950
	Candidates for hospital district	\$800	\$950
.405(3)	Contribution Limits—		
	State official up for recall or pol comm.		
	supporting recall—		
	State Legislative Office	\$900	\$950
	Other State Office	\$1,800	\$1,900
.405(4)	Contribution Limits—		
	Contributions made by political parties		
	and caucus committees		
	State parties and caucus committees	<u>((.90))</u> .95 per voter	((.95)) \$1.00 per registered voter
	County and leg. district parties	.45 per voter	.50 per registered voter
	Limit for all county and leg. district		
	parties to a candidate	.45 per voter	.50 per registered voter
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	To caucus committee	\$900	\$950	
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.410(1)	Candidates for judicial office	\$1,800	\$1,900	
.475	Contribution must be made by			
	written instrument	\$90	\$95	

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Form	This space for office use
C5	P M O A S R T K
(2/16)	R E
Campaign Finance Penert	C E I

Out-of-State Pol	itical Committee	Campaign Fina	ance Report	E I V E D		
Name and full address of committee making the contribution Name Street address City / State / Zip			2. Check appropriate box This is the first report submitted during 20 This shows new expenditures, contributions or information changed from reports submitted previously this calendar year.			
Provide the purpose of the com a State Committee of the Orego	nmittee and the identity of ar on Republican Party, Idaho c	y business, union, associa ommittee of United Worker	tion or person with which the sum or federal PAC of X	ne committee is affiliated (e.g., YZ Trade Assn.)		
4. Officers or responsible leaders Name and full address	of committee:		Title			
5. States where this political com	mittee is registered and has	been actively reporting can	npaign finance information	for the preceding two years:		
Name of state(s) & administr	rative agency(s)		Agency(s) website a	ddress		
6. Candidate contributions: List e \$50.00.	ach Washington candidate f	or state, local or judicial off	fice to whom you have made	e a contribution of more than		
Candidate name	Office sought	Political party	Date	Amount		
7. Ballot measure committee cont contribution of more than \$50.0		gton committee supporting	or opposing a ballot measu	re to whom you have made a		
Committee name & full address	Ballot number	For or Against?	Date	Amount		
8. Other contributions and expensions state, local or judicial candidate			nore than \$50.00 made to or	on behalf of any Washington		
Recipient name & full address		Purpose	Date	Amount		
Check here ☐ if continued on an attached sheet						
9. Total contributions and	expenditures (Add part	s 6, 7, 8)		····		

10. Aggregate contributions and expenditures m Include amounts shown on this report and C5 reports				
Does this aggregate total represent 20% or more of t	the committee's nationwide can	npaign activity to date	for this calendar y	ear? Y□ N□
11. Contributions received from Washington residenting the current calendar year from Washington residents				
Name and full address	Date	Amount	Aggregate Total	
Check here ☐ if continued on an attached sheet 12. Contributions received from persons residing	a outside of Washington Liet	the name address and	omployer of each pe	arcon or corporation
residing outside the state of Washington who has made cor calendar year.				
Name and full address	Employer name, city and state	Date	Amount	Aggregate Total
Check here ☐ if continued on an attached sheet			<u> </u>	1
Eligibility to Give to Political Committees and State registered voters before contributing to a Washing state office candidate your committee must have received.	gton State political committee. Add	ditionally, during the six n	nonths prior to makin	g a contribution to a
A check here indicates your awareness of and pledge to give to Washington State political committees and/or	to comply with these provisions.		· ·	
14. Certification: I certify the information contained in th	is report is true, complete and corr	ect to the best of my kno	wledge.	
Signature of Committee Official	N	ame – Typed or Printed		
T.U.				
Title	D	aytime Telephone No. ()	