

For the above reasons, I have vetoed section 2 of Senate Bill 104. The remainder of the bill is approved." Veto  
Message

## CHAPTER 98

[Engrossed House Bill No. 248]

## CAMPAIGN REPORTING ACT OF 1972

AN ACT Relating to the regulation and reporting of campaign contributions and expenditures; establishing an elections commission; adding a new chapter to Title 29 RCW; creating new sections; repealing section 29.18.14C, chapter 9, Laws of 1965, section 9, chapter 150, Laws of 1965 ex. sess. and RCW 29.18.14C; repealing section 29.85.27C, chapter 9, Laws of 1965 and RCW 29.85.27C; prescribing penalties; and providing for submission of this act to a vote by the people.

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

NEW SECTION. Section 1. There is added to Title 29 RCW a new chapter to read as set forth in sections 2 through 24 of this act.

NEW SECTION. Sec. 2. DECLARATION OF LEGISLATIVE PURPOSE. It is hereby declared to be the public policy of the state of Washington that:

(1) The legislature recognizes that requiring an individual contributor of a campaign contribution to be identified may very well, especially in the case of small contributors, seem to be a distasteful invasion of the right of privacy. Such a requirement would mean that each individual contributor would have to publicly declare his politics and that his personal philosophic leanings, which hitherto he may only have shared with his family and intimates, would now be subject to public scrutiny and be recorded in government offices and computers. It is the finding of the legislature that requiring disclosure of the identity of these contributors would effectively cause many small contributors to cease making contributions. For this reason and for reasons of privacy the legislature declares that the identity of minor contributors to political parties or political organizations having the interest of electing numerous candidates should not be required to be disclosed.

(2) The Legislature further finds that the concept of attempting to increase financial participation of individual contributors in political campaigns is encouraged by the passage of the Revenue Act of 1971 by the Congress of the United States, and in consequence thereof, there is a need for legislation on the state level for implementing legislation.

(3) The legislature further declares that the public interest

is sufficient to require that contributors in amounts in excess of one hundred dollars to the campaigns of individual candidates should be identified, notwithstanding the loss of privacy involved. It is the feeling of the legislature that to require the disclosure of contributors to ideological political parties and like organizations would constitute an extreme invasion of the right of privacy.

(4) Major political campaign contributions and expenditures be fully disclosed to the public and that secrecy be avoided.

(5) The people have the right to expect from their elected representatives at all levels of government, assurances of the utmost integrity, honesty and fairness in their dealings.

(6) The people further have the right to be assured to the fullest extent possible that the private financial dealings of their governmental representatives, and of candidates for those offices, present no conflict of interest between the public trust and private interests.

(7) Public confidence in government at all levels can be sustained by assuring the people of the impartiality and honesty of the officials in all governmental transactions and decisions.

NEW SECTION. Sec. 3. APPLICABILITY. The provisions of this chapter shall apply to all election campaigns other than campaigns for:

- (1) President and vice president of the United States;
- (2) United States congress;
- (3) Offices of any municipal corporation of the fourth class;
- (4) Directors of any school district;
- (5) Offices of any district which does not encompass a whole county, and which contains less than five thousand registered voters according to the most recent general election of such district and/or officers of any district which requires ownership of property as a prerequisite to voting;
- (6) Precinct committeemen.

NEW SECTION. Sec. 4. DEFINITIONS. As used in this chapter, unless the context requires otherwise:

(1) "Campaign depository" means a bank designated by a candidate or campaign or proposition committee pursuant to section 6 of this act.

(2) "Campaign treasurer" and "deputy campaign treasurer" mean the individuals appointed by a candidate or campaign or proposition committee, pursuant to section 6 of this act to perform the duties specified in sections 7 through 12 of this act.

(3) "Candidate" means any individual who seeks nomination for, or election to, public office. For purposes of this chapter, an individual shall be deemed to seek nomination or election when he

files for office.

(4) "Campaign committee" means any person, except an individual dealing with his own funds or property, receiving contributions or making expenditures solely in support of, or in opposition to, a particular candidate.

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

(6) "Contribute" or "contribution" means any monetary advance, conveyance, deposit, distribution, gift, loan, payment, pledge or subscription of money, the aggregate of which is in excess of one hundred dollars and any contract, agreement, promise or other obligation, whether or not legally enforceable, to make a monetary contribution in support of or in opposition to any candidate, campaign committee or proposition; but do not include:

(a) Services of the sort commonly performed by volunteer workers and for which no compensation is asked or given.

(b) Incidental expenses personally paid for by volunteer campaign workers.

(7) "Election" includes primary, general, and special elections for a public office to be filled by the voters and any election in which a proposition is submitted to the voters.

(8) "Election campaign" means any campaign of a candidate for nomination for, or election to, public office and any campaign in support of, or in opposition to, a proposition.

(9) "Expend" or "expenditure" means any advance, conveyance, payment or transfer of money or any other thing of value, and any contract, agreement, promise or other obligation to make an expenditure, whether or not legally enforceable, in support of or in opposition to any candidate, campaign committee or proposition.

(10) "Final report" means the report described and designated as such in section 9 of this act.

(11) "Person" includes an individual, partnership, joint venture, corporation, association, governmental entity or agency, candidate, proposition committee, campaign committee, or any other organization or group of persons, however organized. PROVIDED, HOWEVER, That political committees and political parties and their executive committees thereof are specifically excluded from the scope of this definition.

(12) "Political advertising" means any advertising displays, newspaper advertisements, billboards, signs, tabloids, radio or

television presentations, handbills, letters, envelopes and postage, used for the purpose of appealing directly or indirectly, for votes or for financial or other support in any election campaign.

(13) "Political committee" means any committee, association, or organization (whether or not incorporated) organized and operated for the purpose of influencing, or attempting to influence, the nomination or election of two or more individuals who are candidates for nomination or election to any state, or local elective public office.

(14) "Proposition committee" means any person, except an individual dealing with his own funds or property, receiving contributions or making expenditures in support of, or in opposition to, a proposition.

(15) "Proposition" means any "measure" as defined by RCW 29.01.110, or any initiative, recall, or referendum proposition proposed to be submitted to the voters of any specific constituency when that proposition is filed with the appropriate election officer of that constituency.

(16) Supervisory authority means:

(A) in the case of an election involving cities of the first class the city clerk thereof;

(B) in the case of an election involving cities, other than first class cities, the county auditor;

(C) in the case of an election involving any other political subdivision of the state of Washington located in one county, the county auditor;

(D) in the case of an election involving any other political subdivision of the state of Washington located in two or more counties, the secretary of state;

(E) in the case of an election involving a state-wide issue or candidate, excepting legislative positions, the secretary of state;

(F) in the case of an election involving legislative positions, the respective board of legislative ethics, created pursuant to RCW 44.60.020.

(17) When consistent with the context, words in the masculine, feminine or neuter genders shall be construed to be interchangeable with and to include such other genders; and words in the singular number shall be construed to include the plural, and in the plural to include the singular, and each shall be construed to be interchangeable with the other.

NEW SECTION. Sec. 5. OBLIGATION OF COMMITTEES TO FILE STATEMENT OF ORGANIZATION. (1) Every committee, within ten days after its organization or, within ten days after the date when it first has the expectation of receiving contributions or making expenditures in

any election campaign, whichever is earlier, shall file with the supervisory authority a statement of organization. Each committee in existence on the effective date of this act shall file a statement of organization with the supervisory authority within ninety days after such effective date.

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

(a) The name and address of the committee;

(b) The names and addresses of all related or affiliated committees;

(c) The names, addresses, and titles of its officers; or if it has no officers, the names, addresses and titles of its responsible leaders, and the persons that will have custody of its book of accounts;

(e) The name and address of its campaign treasurer and campaign depository, if any;

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

(g) The name, office sought, and party affiliation of each candidate whom the committee is supporting, and, if the committee is supporting the entire ticket of any party, the name of the party; and

(h) The ballot proposition concerned, if any, and whether the committee is in favor of or opposed to such proposition.

(3) Any material change in information previously submitted in a statement of organization shall be reported to the supervisory authority within the ten days following the change.

NEW SECTION. Sec. 6. CAMPAIGN TREASURER AND DEPOSITORIES.

(1) Each candidate, at or before the time he announces publicly or files for office, whichever occurs later and each campaign or proposition committee, at or before the time it files a statement of organization, shall designate and file with the supervisory authority the names and addresses of:

(a) One elector, who may be the candidate, to serve as a campaign treasurer; and

(b) One bank doing business in this state to serve as campaign depository.

(2) A candidate, campaign or proposition committee or a campaign treasurer may appoint as many deputy treasurers as is considered necessary and may designate not more than one additional campaign depository in each county in which the campaign is conducted. The candidate or campaign or proposition committee shall file the names and addresses of the deputy campaign treasurers and additional campaign depositories with the supervisory authority.

(3) (a) A candidate, or campaign or proposition committee may at any time remove a campaign treasurer or deputy treasurer or change

a designated campaign depository.

(b) In the event of the death, resignation or removal of a campaign treasurer, deputy campaign treasurer or depository, the candidate or campaign or proposition committee shall designate and file with the supervisory authority the name and address of any successor.

(4) No campaign treasurer, deputy campaign treasurer, or campaign depository shall be qualified until his name and address is filed with the supervisory authority.

NEW SECTION. Sec. 7. DEPOSIT OF CONTRIBUTIONS--STATEMENT OF CAMPAIGN TREASURER--ANONYMOUS CONTRIBUTIONS. (1) All monetary contributions received by a candidate or campaign or proposition committee shall be deposited by the campaign treasurer or deputy treasurer in a campaign depository in an account designated, "Campaign Fund of ....." (name of candidate or committee) no later than the fifth regular day of business of such depository after the day of receipt.

(2) Each deposit made by a campaign treasurer or deputy campaign treasurer shall be documented by a statement containing the amount of the deposit and the name of each person contributing the funds so deposited and the amount contributed by each person, in excess of one hundred dollars which statement shall be retained by the campaign treasurer. The statement shall be upon a form prescribed by the supervisory authority and shall be sworn to as correct by the campaign treasurer or deputy campaign treasurer making the deposit.

(3) Anonymous contributions by a single contributor in excess of an aggregate amount of ten dollars received by a candidate or campaign or proposition committee shall not be deposited, used, or expended, but shall be returned to the donor, if his identity can be ascertained. If the donor's identity cannot be ascertained, the contribution shall escheat to the state, and shall be paid to the state treasurer for deposit in the state general fund.

NEW SECTION. Sec. 8. AUTHORIZATION OF EXPENDITURES AND RESTRICTIONS THEREON. From the time the campaign treasurer is appointed, until a final report is filed, no expenditures shall be made or incurred by any candidate or campaign or proposition committee except on the authority of the campaign treasurer or the candidate, and a record of all such expenditures shall be maintained by the campaign treasurer.

NEW SECTION. Sec. 9. REPORTS OF CONTRIBUTIONS AND EXPENDITURES BY CANDIDATES AND COMMITTEES. (1) Within seven days after the day the campaign treasurer is designated each candidate or campaign or proposition committee shall file with the supervisory

authority a report of contributions and expenditures made in the election campaign: PROVIDED, That the initial report of a campaign or proposition committee in existence on the effective date of this act and not established in anticipation of any specific election campaign shall be filed with the supervisory authority within ten days after such effective date and shall include:

(a) A statement of the funds on hand at the time of such report;

(b) Such other information as the supervisory authority may by regulation prescribe in furtherance of and consistent with the policy and purpose of this act.

(2) Reports of contributions and expenditures shall also be filed by each candidate and campaign or proposition committee with the supervisory authority:

(a) As to contributions and expenditures made in or on account of the election campaign of a candidate for nomination for, or election to, public office:

(i) On or before twenty days prior to the primary election; and

(ii) Within ten days after the primary election; and

(iii) Within ten days after the general election.

(3) As to contributions and expenditures made in or on account of an election campaign in support of, or in opposition to, a proposition:

(a) On or before the last day of each month prior to the date of the election; and

(b) Within ten days after the date of the election.

If after filing the last report as provided in this section, the candidate or committee has any outstanding debts or obligations for expenditures incurred in or on account of the election campaign, or if the committee continues in existence, supplemental reports of all contributions and expenditures made since the date of the last report shall be filed quarterly until the obligation or indebtedness is entirely satisfied or the committee dissolved as the case may be, and the last such report shall be the final report: PROVIDED, That when the campaign fund has been closed, the campaign has been concluded in all respects, there are no outstanding debts or obligations incurred in or on account of the election campaign, and in the case of a committee, such committee has ceased to function and has dissolved, a report filed at any time thereafter shall be the final report and the duties of the campaign treasurer shall cease and there shall be no obligation to make any further reports.

NEW SECTION. Sec. 10. CONTENTS OF REPORTS. All reports filed pursuant to section 9 of this act shall be duly sworn to as to

correctness by the candidate or by the campaign treasurer of a committee and shall disclose for the period covered:

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

(2) The name and address of each person who has made one or more contributions during the period for which the report is filed, together with the amount of such contributions;

(3) The sum of contributions not reported under subsection (2) above;

(4) Each loan, promissory note or security instrument to be used by or for the benefit of the candidate or committee made by any person in furtherance of the election campaign together with the names and addresses of the maker of such loan, note or instrument, the date and amount thereof, and the names and addresses of any endorsers;

(5) The name and address of any political committee from which the reporting committee or candidate received, or to which the reporting committee or candidate transferred any funds, together with the amounts, dates and purpose of all such transfers;

(6) The name and address of each person to whom an expenditure in excess of twenty-five dollars was made and the amount, date and purpose of each such expenditure;

(7) The sum of expenditures required to be reported above.

NEW SECTION. Sec. 11. Every candidate for an elective office in this state including state, county, city, town and district offices whether such election is partisan or nonpartisan, except a candidate for precinct committeeman, shall simultaneously with filing a declaration of candidacy file with the same officer at the same time a signed copy of the following code of fair campaign practices.

"CODE OF FAIR CAMPAIGN PRACTICES

There are basic principles of decency, honesty and fair play which every candidate for public office in the United States and the State of Washington has a moral obligation to observe and uphold, in order that, after vigorously contested but fairly conducted campaigns, our citizens may exercise their constitutional right to a free and untrammelled choice and the will of the people may be fully and clearly expressed on the issues before the country and this state.

Therefore:

I shall conduct my campaign in the best American tradition, discussing the issues as I see them, presenting my record and policies with sincerity and frankness, and criticizing without fear or favor the record and policies of my opponent and his party which merit such criticism.

I shall defend and uphold the right of every qualified



American voter to full and equal participation in the electoral process.

I shall condemn the use of personal vilification, character defamation, whispering campaigns, libel, slander, or scurrilous attacks on any candidate or his personal or family life.

I shall condemn the use of campaign material of any sort which misrepresents, distorts, or otherwise falsifies the facts regarding any candidate, as well as the use of malicious or unfounded accusations against any candidate which aim at creating or exploiting doubts, without justification, as to his loyalty and patriotism.

I shall condemn any appeal to prejudice based on race or national origin.

I shall condemn any dishonest or unethical practice which tends to corrupt or undermine our American system of free elections or which hampers or prevents the full and free expression of the will of the voters.

I, the undersigned, candidate for election to public office in the United States of America and the State of Washington, hereby endorse, subscribe to, and solemnly pledge myself to conduct my campaigns in accordance with the above principles and practices, so help me God.

Date

Signature"

NEW SECTION. Sec. 12. CAMPAIGN EXPENDITURE LIMITATIONS.

From the time the campaign treasurer is appointed, until a final report is filed.

The total of expenditures made by, for, or on behalf of any candidate in relation to any campaign shall not exceed the larger of the following amounts:

(a) Ten cents multiplied by the number of voters registered;

or

(b) Five thousand dollars; or

(c) A sum equal to the public salary which will be paid to the occupant of the office which the candidate seeks, during the term for which the successful candidate will be elected; or

(d) With respect to candidates for the office of governor and lieutenant governor of the state of Washington only, a sum equal to the public salary which will be paid the governor during the term sought, multiplied by two.

Any candidate who knowingly, intentionally and wilfully violates the provisions of this section, and any person who aids or abets such a violation, shall be subject to the provisions and penalties of section 18 of this act.

The total of expenditures made by, for or on behalf of any

ballot proposition shall not exceed one hundred thousand dollars.

NEW SECTION. Sec. 13. COMMERCIAL ADVERTISERS' DUTY TO REPORT. (1) Within fifteen days after an election each commercial advertiser who has accepted and displayed or communicated political advertising to the public during the election campaign shall file a report with the supervisory authority which shall be certified as correct and shall specify:

(a) The names and addresses of persons from whom it accepted political advertising;

(b) The exact nature and extent of the advertising services rendered;

(c) The consideration and the manner of paying that consideration for such services; and

(d) Such other facts as the supervisory authority may by regulation prescribe, in keeping with the purposes of this act.

(2) No report shall be required from any printing company as to any single candidate or campaign or proposition committee when the total consideration received therefrom does not exceed fifty dollars.

NEW SECTION. Sec. 14. DUTY TO PRESERVE STATEMENTS AND REPORTS. Persons with whom statements or reports or copies of statements or reports are required to be filed under this act shall preserve them for two years. The supervisory authority, however, shall preserve such statements or reports for a period of five years.

NEW SECTION. Sec. 15. IDENTIFICATION OF CONTRIBUTIONS AND COMMUNICATIONS. No contribution in excess of one hundred dollars shall be made and no expenditure shall be incurred, directly or indirectly, in a fictitious name, anonymously, or by one person through an agent, relative or other person in such a manner as to conceal the identity of the source of the contribution, in any election campaign.

NEW SECTION. Sec. 16. POLITICAL ADVERTISING --IDENTIFICATION OF SPONSORS. All political advertising, whether relating to candidates or propositions, however proposed, promulgated or disseminated, shall identify the sponsors thereof by listing the name and address of the sponsor or sponsors on the material or in connection with its presentation. If a candidate or candidates run for partisan political office, they and their sponsors shall also designate on all such political advertising clearly in connection with each such candidate the party to which each such candidate belongs: PROVIDED, That licensees of the federal communications commission shall identify political advertisers in compliance with FCC regulations.

NEW SECTION. Sec. 17. SUPERVISORY AUTHORITY DUTIES. The supervisory authority shall:

(1) Develop and distribute prescribed forms for the filing of the reports and statements required by this chapter;

(2) Prepare and publish a manual setting forth recommended uniform methods of bookkeeping and reporting for use by persons required to make reports and statements under this chapter;

(3) Make each report and statement filed with it available during regular office hours for public inspection and for copying at cost to any person requesting copies of the same;

(4) Preserve such reports and statements as required by section 14 hereof;

(5) Compile and maintain a current list of all statements or parts of statements pertaining to each candidate;

(6) Determine whether the required reports and statements have been filed and, if so, whether they conform with the requirements of this chapter; and

(7) Report apparent criminal acts in violation of law, as provided in section 18 of this act, to the appropriate law enforcement authorities.

NEW SECTION. Sec. 18. CRIMINAL PENALTIES; LIMITATIONS ON ACTIONS. (1) Any person who knowingly and wilfully violates a provision of this chapter shall be guilty of a misdemeanor and shall be punishable by a fine of not more than five hundred dollars. Violations include, but are not limited to:

(a) Filing a statement or report containing any intentionally false or misleading information;

(b) Making or receiving a contribution in contravention of this chapter;

(c) Making or receiving an expenditure in contravention of this chapter;

(d) Failing to return a contribution in excess of ten dollars allegedly made anonymously to the known donor or failing to send any contribution whose donor is actually unknown to the state treasurer;

(e) Paying funds from a campaign fund contrary to the provisions of this chapter;

(f) Failing to preserve statements or reports for the required period of time;

(g) Failing to maintain accounts of political advertising as required by this chapter.

(2) Any action for the enforcement of the provisions of this chapter must be commenced within one year after the date of the election to which the violation is reasonably related.

(3) In addition, any office holder, not subject to impeachment, who, after exhausting his rights of appeal, is convicted of violating any provisions of this chapter shall forfeit his office

and its rights and privileges, and the office shall be vacant and shall be filled in the manner prescribed by law; or, if subject to impeachment, such violation shall constitute a ground for impeachment of such office holder in the manner provided by law.

(4) The prosecuting attorneys of political subdivisions of this state shall enforce this section by filing criminal complaints in courts of appropriate jurisdiction.

NEW SECTION. Sec. 19. DATE OF MAILING DEEMED DATE OF RECEIPT. When any application, report, notice, or payment required to be made to any person or supervisory authority under the provisions of this chapter has been deposited postpaid in the United States mail addressed to such person or supervisory authority, it shall be deemed to have been received by him on the date of mailing. It shall be presumed that a date shown by the post office cancellation mark on the envelope is the date of mailing.

NEW SECTION. Sec. 20. REPEALS. The following acts or parts of acts are each hereby repealed:

(1) Section 29.18.140, chapter 9, Laws of 1965, section 9, chapter 150, Laws of 1965 ex. sess. and RCW 29.18.140; and

(2) Section 29.85.270, chapter 9, Laws of 1965 and RCW 29.85.270.

NEW SECTION. Sec. 21. PENALTY. Any person, partnership, association or corporation that knowingly divides a campaign contribution so as to avoid the necessity of reporting under this act, or any candidate who knowingly accepts a contribution which has been divided so as to avoid reporting under this act, shall be guilty of a misdemeanor.

NEW SECTION. Sec. 22. TITLE. This act shall be known and cited as the "Campaign Reporting Act of 1972."

NEW SECTION. Sec. 23. SECTION HEADINGS ARE NOT PART OF LAW. Section captions or headings, used in this act, do not constitute any part of the law.

NEW SECTION. Sec. 24. SEVERABILITY. If any provision of this act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 25. EFFECTIVE DATE. The effective date of sections 9 through 25 of this act shall be January 30, 1973 if passed by a vote of the people.

NEW SECTION. Sec. 26. REFERENDUM. This act shall be submitted to the people for their adoption and ratification, or rejection, at the general election to be held in this state on the Tuesday next succeeding the first Monday in November, 1972, in accordance with the provisions of section 1, Article II of the state

Constitution, as amended, and laws adopted to facilitate the operation thereof.

Passed the House February 22, 1972.

Passed the Senate February 19, 1972.

Filed in Office of Secretary of State February 24, 1972.

CHAPTER 99

[Engrossed Senate Bill No. 13]

MOTOR VEHICLES--TRANSFERS, ODOMETER READINGS--  
DEALER LICENSE PLATES, MOTOR HOME DEALERS

AN ACT Relating to motor vehicles; amending section 7, chapter 140, Laws of 1967 as last amended by section 38, chapter 281, Laws of 1969 ex. sess. and RCW 46.12.101; amending section 46.12.030, chapter 12, Laws of 1961 as amended by section 8, chapter 32, Laws of 1967 and RCW 46.12.030; amending section 46.12.120, chapter 12, Laws of 1961 as last amended by section 2, chapter 140, Laws of 1967 and RCW 46.12.120; amending section 46.70.060, chapter 12, Laws of 1961 as last amended by section 3, chapter 74, Laws of 1971 ex. sess. and RCW 46.70.060; and adding a new section to chapter 46.12 RCW.

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

Section 1. Section 7, chapter 140, Laws of 1967 as last amended by section 38, chapter 281, Laws of 1969 ex. sess. and RCW 46.12.101 are each amended to read as follows:

A transfer of ownership in a motor vehicle is perfected by compliance with the requirements of this section.

(1) If an owner transfers his interest in a vehicle, other than by the creation of a security interest, he shall, at the time of the delivery of the vehicle, execute an assignment to the transferee and inscribe in ink the number of miles indicated on the odometer in the respective spaces provided therefor on the certificate or as the department prescribes, and cause the certificate and assignment to be transmitted to the transferee or to the department.

(2) Except as provided in RCW 46.12.120 the transferee shall within fifteen days after delivery to him of the vehicle, execute the application for a new certificate of ownership in the same space provided therefor on the certificate or as the department prescribes, and cause the certificates and application to be transmitted to the department.

(3) Upon request of the owner or transferee, a secured party in possession of the certificate of ownership shall, unless the