CHAPTER 335

[Engrossed Senate Bill No. 2825] SPECIAL FUEL TAX——IN LIEU LICENSE FEE

AN ACT Relating to special fuel tax; adding a new section to chapter 82.38 RCW; declaring an emergency; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

<u>NEW SECTION.</u> Section 1. There is added to chapter 82.38 RCW a new section to read as follows:

In order to encourage the use of nonpolluting fuels, until July 1, 1979, an annual license fee in lieu of the tax imposed by RCW 82.38.030 shall be imposed upon the use of natural gas as defined in this chapter or on liquified petroleum gas, commonly called propane, which is used in any motor vehicle, as defined in RCW 46.04.320, in accordance with the following schedule:

VEHICLE TONNAGE (GVW)	FEE
0 - 6,000	\$ 60
6,001 – 10,000	\$ 70
10,001 – 18,000	\$ 80
18,001 – 28,000	\$110
28,001 - 36,000	\$150
36,001 and above	\$250

The department of motor vehicles, in addition to the foregoing fee, shall charge a further fee of five dollars as a handling charge for each license issued.

The director of the department of motor vehicles shall be authorized to prorate the vehicle tonnage fee so that the annual license required by this section will correspond with the staggered vehicle licensing system.

<u>NEW SECTION.</u> Sec. 2. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect July 1, 1977.

Passed the Senate June 18, 1977. Passed the House June 18, 1977. Approved by the Governor June 30, 1977. Filed in Office of Secretary of State June 30, 1977.

CHAPTER 336

[Engrossed Substitute Senate Bill No. 2877] ETHICS AND DISCLOSURE

Be it enacted by the Legislature of the State of Washington:

AN ACT Relating to ethics and disclosure; amending section 4, chapter 1, Laws of 1973 as amended by section 3, chapter 294, Laws of 1975 1st ex. sess. and RCW 42.17.040; amending section 9, chapter 1, Laws of 1973 as last amended by section 3, chapter 112, Laws of 1975-'76 2nd ex. sess. and RCW 42.17.090; amending section 37, chapter 1, Laws of 1973 as amended by section 25, chapter 294, Laws of 1975 1st ex. sess. and RCW 42.17.370; and adding new sections to chapter 42.17 RCW.

Section 1. Section 4, chapter 1, Laws of 1973 as amended by section 3, chapter 294, Laws of 1975 1st ex. sess. and RCW 42.17.040 are each amended to read as follows:

(1) Every political 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 a statement of organization with the commission and with the county auditor of the county in which the candidate resides (or in the case of a political committee supporting or opposing a ballot proposition, the county in which the campaign treasurer resides). Each political committee in existence on the effective date of this act shall file a statement of organization with the commission 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 or other persons, and the nature of the relationship or affiliation;

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

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

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

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

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

(h) What distribution of surplus funds will be made, in accordance with section 3 of this 1977 amendatory act, in the event of dissolution;

(i) The hours during which the committee will make available for public inspection its books of account and all reports filed in accordance with RCW 42.17-.065 and 42.17.080, as now or hereafter amended; and

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

(3) Any material change in information previously submitted in a statement of organization shall be reported to the commission and to the appropriate county auditor within the ten days following the change.

Sec. 2. Section 9, chapter 1, Laws of 1973 as last amended by section 3, chapter 112, Laws of 1975-'76 2nd ex. sess. and RCW 42.17.090 are each amended to read as follows:

(1) Each report required under RCW 42.17.080 shall disclose for the period beginning at the end of the period for the last report or, in the case of an initial report, at the time of the first contribution or expenditure, and ending not more than three days prior to the date the report is due:

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

(b) The name and address of each person who has made one or more contributions during the period, together with the money value and date of such contributions and the aggregate value of all contributions received from each such person during the campaign or in the case of a continuing political committee, the current calendar year: PROVIDED, That the income which results from the conducting of a fund-raising activity which has previously been reported in accordance with RCW 42.17.067 may be reported as one lump sum, with the exception of that portion of such income which was received from persons whose names and addresses are required to be included in the report required by RCW 42.17.067: PROVIDED FURTHER, That contributions not exceeding ten dollars in the aggregate from any one person during the election campaign may be reported as one lump sum so long as the campaign treasurer maintains a separate and private list of the names, addresses, and amounts of each such contributor;

(c) Each loan, promissory note, or security instrument to be used by or for the benefit of the candidate or political committee made by any person, together with the names and addresses of the lender and each person liable directly, indirectly or contingently and the date and amount of each such loan, promissory note, or security instrument;

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

(e) All other contributions not otherwise listed or exempted;

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

(g) The total sum of expenditures;

(h) The surplus or deficit of contributions over expenditures;

(i) The disposition made in accordance with section 3 of this 1977 amendatory act of any surplus ((of contributions over expenditures)) funds;

(j) Such other information as shall be required by the commission by regulation in conformance with the policies and purposes of this chapter; and

(k) Funds received from a political committee not domiciled in Washington state and not otherwise required to report under this chapter (a "nonreporting committee"). Such funds shall be forfeited to the state of Washington unless the nonreporting committee or the recipient of such funds has filed or within three days following such receipt shall file with the commission a statement disclosing: (i) its name and address; (ii) the purposes of the nonreporting committee; (iii) the names, addresses, and titles of its officers or if it has no officers, the names, addresses, and titles of its responsible leaders; (iv) a statement whether the nonreporting committee is a continuing one; (v) the name, office sought, and party affiliation of each candidate in the state of Washington whom the nonreporting committee is supporting, and, if such committee is supporting the entire ticket of any party, the name of the party; (vi) the ballot proposition supported or opposed in the state of Washington, if any, and whether such committee is in favor of or opposed to such proposition; (vii) the name and address of each person residing in the state of Washington or corporation which has a place of business in the state of Washington who has made one or more contributions to the nonreporting committee during the preceding twelve-month period, together with the money value and date of such contributions; (viii) the name and address of each person in the state of Washington to whom an expenditure was made by the nonreporting committee

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on behalf of a candidate or political committee in the aggregate amount of twentyfive dollars or more, the amount, date, and purpose of such expenditure, and the total sum of such expenditures; (ix) such other information as the commission may by regulation prescribe, in keeping with the policies and purposes of this chapter.

(2) The campaign treasurer and the candidate shall certify the correctness of each report.

<u>NEW SECTION.</u> Sec. 3. There is added to chapter 42.17 RCW a new section to read as follows:

The surplus funds of a candidate, or of a political committee supporting or opposing a candidate, may only be disposed of in any one or more of the following ways:

(1) Return the surplus to a contributor in an amount not to exceed that contributor's original contribution;

(2) Transfer the surplus to the candidate's personal account as reimbursement for lost earnings incurred as a result of that candidate's election campaign. Such lost earnings shall be verifiable as unpaid salary or, when the candidate is not salaried, as an amount not to exceed income received by the candidate for services rendered during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record thereof shall be maintained by the candidate or the candidate's political committee. The committee shall include a copy of such record when its expenditure for such reimbursement is reported pursuant to RCW 42.17.090;

(3) Transfer the surplus to one or more candidates or to a political committee or party: PROVIDED, That the aggregate value of all contributions transferred to all recipients under this subsection shall in no case exceed two thousand dollars in any one calendar year;

(4) Donate the surplus to a charitable organization registered accordance with chapter 19.09 RCW;

(5) Transmit the surplus to the state treasurer for deposit in the general fund; or

(6) Hold the surplus in the campaign depository or depositories designated in accordance with RCW 42.17.050 for possible use in a future election campaign, for political activity in accordance with the dollar limitation of subsection (3) of this section where applicable, for community activity, or for nonreimbursed public office related expenses and report any such disposition in accordance with RCW 42.17.090: PROVIDED, That if the candidate subsequently announces or publicly files for office, information as appropriate is reported to the commission in accordance with RCW 42.17.040 through 42.17.090. If a subsequent office is not sought the surplus held shall be disposed of in accordance with the requirements of this section.

<u>NEW SECTION.</u> Sec. 4. There is added to chapter 42.17 RCW a new section to read as follows:

No payment shall be made to any person required to report under RCW 42-.17.240 and no payment shall be accepted by any such person, 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 payment or in any other manner so as to effect concealment except that the commission may issue categorical and specific exemptions to the reporting of the actual source when there is an undisclosed principal for recognized legitimate business purposes.

<u>NEW SECTION.</u> Sec. 5. There is added to chapter 42.17 RCW a new section to read as follows:

(1) Elected and appointed officials required to report under RCW 42.17.240, shall report for themselves and for members of their immediate family to the commission any contributions received during the preceding calendar year for the officials' use in defraying nonreimbursed public office related expenses. Contributions reported under this section shall be referred to as a "public office fund" and shall not be transferred to a political committee nor used to promote or oppose a candidate or ballot proposition, other than as provided by subsection (3) (a) of this section. For the purposes of this section contributions shall include reimbursements from or payments by persons, other than the state of Washington or any agency, for travel expenses.

A report shall be filed during the month of January of any year following a year in which such contributions were received for or expenditures made from a public office fund. The report shall include:

(a) The name and address of each contributor;

(b) A description of each contribution, including the date on which it was received and its amount or, if its dollar value is unascertainable, an estimate of its fair market value; and

(c) A description of each expenditure made from a public office fund, including the name and address of the recipient, the amount, and the date of each such expenditure.

(2) No report under subsection (1) of this section shall be required if:

(a) The receipt of the contribution has been reported pursuant to RCW 42.17-.065 (continuing political committee reports) or RCW 42.17.090 (political committee reports); or (b) The contribution is in the form of meals, refreshments, or entertainment given in connection with official appearances or occasions where public business was discussed.

(3) Any funds which remain in a public office fund after all permissible public office related expenses have been paid may only be disposed of in one or more of the following ways:

(a) Returned to a contributor in an amount not to exceed that contributor's original contribution; or

(b) Donated to a charitable organization registered in accordance with chapter 19.09 RCW; or

(c) Transferred to the state treasurer for deposit in the general fund.

<u>NEW SECTION.</u> Sec. 6. There is added to chapter 42.17 RCW a new section to read as follows:

Contributions received and reported in accordance with RCW 42.17.060 through 42.17.090 may only be transferred to a candidate's personal account or expended for a candidate's personal use under the following circumstances:

(1) Reimbursement for or loans to cover lost earnings incurred as a result of campaigning. Such lost earnings shall be verifiable as unpaid salary, or when the

candidate is not salaried, as an amount not to exceed income received by the candidate for services rendered during an appropriate, corresponding time period. All lost earnings incurred shall be documented and a record thereof shall be maintained by the candidate or the candidate's political committee. The committee shall include a copy of such record when its expenditure for such reimbursement is reported pursuant to RCW 42.17.090.

(2) Reimbursement for direct out-of-pocket election campaign and postelection campaign related expenses made by the candidate. To receive reimbursement from his political committee, the candidate shall provide the committee with written documentation as to the amount, date, and description of each expense and the committee shall include a copy of such information when its expenditure for such reimbursement is reported pursuant to RCW 42.17.090.

(3) Repayment of loans made by the candidate to political committees, which repayment shall be reported pursuant to RCW 42.17.090.

Sec. 7. Section 37, chapter 1, Laws of 1973 as amended by section 25, chapter 294, Laws of 1975 1st ex. sess. and RCW 42.17.370 are each amended to read as follows:

The commission is empowered to:

(1) Adopt, promulgate, amend, and rescind suitable administrative rules and regulations to carry out the policies and purposes of this chapter, which rules and regulations shall be promulgated pursuant to the provisions of chapter 34.04 RCW;

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

(3) Make from time to time, on its own motion, audits and field investigations;

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

(5) Administer oaths and affirmations, issue subpoenas, and compel attendance, take evidence and require the production of any books, papers, correspondence, memorandums, or other records which the commission deems relevant or material for the purpose of any investigation authorized under this chapter, or any other proceeding under this chapter;

(6) Adopt and promulgate a code of fair campaign practices;

(7) Relieve, by published regulation of general applicability, candidates or political committees of obligations to comply with the provisions of this chapter relating to election campaigns, if they have not received contributions nor made expenditures in connection with any election campaign of more than one thousand dollars; and

(8) Enact regulations prescribing reasonable requirements for keeping accounts of and reporting on a quarterly basis costs incurred by state agencies, counties, cities, and other municipalities and political subdivisions in preparing, publishing, and distributing legislative information. The term "legislative information", for the purposes of this subsection, means books, pamphlets, reports, and other materials prepared, published, or distributed at substantial cost, a substantial purpose of which is to influence the passage or defeat of any legislation. The state auditor in his regular examination of each agency under chapter 43.09 RCW shall review such regulations, accounts, and reports and make appropriate findings, comments, and recommendations in his examination reports concerning those agencies.

(9) The commission, after hearing, by order approved and ratified by a majority of the membership of the commission, may suspend or modify any of the reporting requirements hereunder in a particular case if it finds that literal application of this chapter works a manifestly unreasonable hardship and if it also finds that such suspension or modification will not frustrate the purposes of the chapter. The commission shall find that a manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17.240(1)(g)(ii) would be likely to adversely affect the competitive position of any entity in which the person filing the report or any member of his immediate family holds any office, directorship, general partnership interest, or an ownership interest of ten percent or more. Any ((such)) suspension or modification shall be only to the extent necessary to substantially relieve the hardship. The commission shall act to suspend or modify any reporting requirements only if it determines that facts exist that are clear and convincing proof of the findings required hereunder. Any citizen shall have standing to bring an action in Thurston county superior court to contest the propriety of any order entered hereunder within one year from the date of the entry of such order.

<u>NEW SECTION.</u> Sec. 8. If any provision of this 1977 amendatory 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.

Passed the Senate June 13, 1977. Passed the House June 13, 1977. Approved by the Governor June 30, 1977. Filed in Office of Secretary of State June 30, 1977.

CHAPTER 337 [Engrossed Senate Bill No. 2042] PILOTAGE

AN ACT Relating to pilotage; amending section 1, chapter 18, Laws of 1935 as last amended by section 73, chapter 151, Laws of 1977 1st ex. sess. and RCW 88.16.010; amending section 2, chapter 18, Laws of 1935 as last amended by section 74, chapter 151, Laws of 1977 1st ex. sess. and RCW 88.16.020; amending section 3, chapter 18, Laws of 1935 as last amended by section 2, chapter 297, Laws of 1971 ex. sess. and RCW 88.16.050; amending section 4, chapter 18, Laws of 1935 as last amended by section 3, chapter 297, Laws of 1971 ex. sess. and RCW 88.16.070; amending section 8, chapter 18, Laws of 1935 as amended by section 5, chapter 15, Laws of 1967 and RCW 88.16.090; amending section 10, chapter 18, Laws of 1935 as last amended by section 4, chapter 18, Laws of 1935 as amended by section 4, chapter 18, Laws of 1935 as amended by section 4, chapter 18, Laws of 1935 as amended by section 4, chapter 18, Laws of 1935 as amended by section 4, chapter 18, Laws of 1935 as amended by section 4, chapter 18, Laws of 1935 as amended by section 13, chapter 18, Laws of 1935 as amended by section 4, chapter 297, Laws of 1971 ex. sess. and RCW 88.16.100; amending section 6, chapter 18, Laws of 1935 as amended by section 6, chapter 18, Laws of 1935 as amended by section 4, chapter 15, Laws of 1967 and RCW 88.16.120; amending section 11, chapter 18, Laws of 1935 as amended by section 4, chapter 15, Laws of 1967 and RCW 88.16.120; amending section 11, chapter 18, Laws of 1935 as amended by section 9, chapter 18, Laws of 1935, section 6, chapter 18, Laws of 1935, as amended by section 9, chapter 18, Laws of 1935, as amended by section 9, chapter 18, Laws of 1935, as amended by section 1, chapter 19, Laws of 1967, and RCW 88.16.130; adding new sections to chapter 88.16 RCW; repealing section 9, chapter 18, Laws of 1935, section 6, chapter 15, Laws of 1967, section 1, chapter 297, Laws of 1971 ex. sess. and RCW 88.16.030; prescribing penalties; and declaring an emergency.

<u>NEW SECTION.</u> Section 1. There is added to chapter 88.16 RCW a new section to read as follows: