PROPOSED RULE MAKING
(RCW 34.05.320)

CR-102 (7/22/01)
Do NOT use for expedited rule making

Agency: Public Disclosure Commission

☒ Original Notice
☐ Supplemental Notice to WSR _____
☐ Continuance of WSR _____

☒ Preproposal Statement of Inquiry was filed as WSR 02-04-049 ; or
☐ Expedited Rule Making -- Proposed notice was filed as WSR _____; or
☐ Proposal is exempt under RCW 34.05.310(4).

(a) Title of rule: (Describe Subject) Title 390 WAC -- Rules relating to independent expenditures, sample ballots and slate cards, reports filed by nonreporting committees, exempt activities and the definition of Caucus of the State Legislature.

Purpose:
To clarify and implement changes to RCW 42.17 and to simplify and streamline the campaign reporting process for candidates and political committees.

Other identifying information:

(b) Statutory authority for adoption: RCW 42.17.370(1)

Statute being implemented: RCW 42.17.103 and .370(1)

(c) Summary: The proposed rule changes would repeal one rule, amend the form and reporting requirements for nonreporting committees, implement RCW 42.17.103, clarify definitions of exempt activities and sample ballots and slate cards, and simplify reporting of independent expenditure political advertising.

Reasons supporting proposal: The proposed new rule and rule amendments conform to statutory changes under RCW 42.17.103, clarify requirements of nonreporting committees, provide guidance to political party committees on the use of exempt funds, and define "top five contributors" for the purpose of political advertising by independent expenditure committees.

(d) Name of Agency Personnel Responsible for:		Office Location	Telephone
1. Drafting.....	Doug Ellis	PDC 711 Capitol Way, Rm 206, Olympia	(360) 664-2735
2. Implementation....	Doug Ellis	PDC 711 Capitol Way, Rm 206, Olympia	(360) 664-2735
3. Enforcement.....	Phil Stutzman	PDC 711 Capitol Way, Rm 206, Olympia	(360) 664-8853

(e) Name of proponent (person or organization): Public Disclosure Commission

☐ Private
☐ Public
☒ Governmental

(f) Agency comments or recommendations, if any, as to statutory language, implementation, enforcement and fiscal matters:
None

(g) Is rule necessary because of:

Federal Law?	☐ Yes	☒ No	If yes, ATTACH COPY OF TEXT
Federal Court Decision?	☐ Yes	☒ No	Citation:
State Court Decision?	☐ Yes	☒ No	

(h) HEARING LOCATION:
Commission Hearing Room
Evergreen Plaza Building
711 Capitol Way, Room 206
Olympia, WA

Date: May 21, 2002 Time: 9:00 a.m.

Assistance for persons with disabilities: Contact Ruthann Bryant by Telephone

TDD ( ) _____ or (360) 753-1111

Submit written comments to:
Doug Ellis (dellis@pdc.wa.gov)
Public Disclosure Commission
PO Box 40908
Olympia, WA 98504-0908
FAX (360) 753-1112 By (date) May 17, 2002

DATE OF INTENDED ADOPTION: May 21, 2002

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WSR 02-09-080

NAME (TYPE OR PRINT)
Susan Harris

SIGNATURE
Susan Harris

TITLE
Assistant Director

DATE
4/16/02

(COMPLETE REVERSE SIDE)

(j) Short explanation of rule, its purpose, and anticipated effects:
The proposed rule changes would conform with statutory changes under RCW 42.17.103 which requires the reporting of independent expenditures within 24 hours of first being published or presented to the public during the 21 days before an election and would also specify the requirements and the kinds of committees that file PDC form C-5. The rule amendments define "Top Five Contributors" under RCW 42.17.510(2) and allow political committees to identify the top five contributors giving to the committee to underwrite political advertising for a specific independent expenditure. The definition of caucus of the state legislature is repealed.

The proposed rule changes also references the Washington State Supreme Court's decision regarding issue advocacy and the use of exempt funds, allows generic get-out-the-vote activity, regardless of the number of candidates benefited, to be funded with exempt contributions, and clarifies that at least three candidates must be listed on sample ballots and slate cards and that the distribution of sample ballots and slate cards must be within a geographical area where voters are eligible to vote for at least three candidates listed.

The proposed rule changes provide guidance and clarification to candidates and political committees on current statutory requirements.

Does proposal change existing rules? ☒ YES ☐ NO If yes, describe changes:
The proposed changes clarify, simplify and streamline the campaign reporting process for candidates and political committees.

(k) Has a small business economic impact statement been prepared under chapter 19.85 RCW?

☐ Yes. Attach copy of small business economic impact statement.
A copy of the statement may be obtained by writing to:

telephoning: ( )
faxing: ( )

☒ No. Explain why no statement was prepared
The implementation of these rules does not impact small businesses.

(l) Does RCW 34.05.328 apply to this rule adoption? ☐ Yes ☒ No
Please explain:
The PDC is not an agency listed in subsection (5)(a)(i) of section 201. Further, the PDC does not voluntarily make section 201 applicable to this rule adoption pursuant to subsection (5)(a)(ii) of section 201, and to date JARRC has not made section 201 applicable to this rule adoption.

AMENDATORY SECTION (Amending WSR 96-05-001, filed 2/7/96, effective 3/9/96)

WAC 390-16-055 ((~~Filing reports for nonreporting~~)) Forfeiture of contributions received from out-of-state or federal political committees. ((~~(1)~~)) Each candidate or political committee receiving funds from a nonreporting committee (out-of-state or federal political committee) as described in RCW 42.17.090 (1)(l), shall determine whether such committee has complied with that subsection. If the nonreporting committee has not filed the required report under WAC 390-16-050, the funds shall not be forfeited or reportable as having been received if they are returned to the nonreporting committee within ((~~three~~)) five business days after receipt. ((~~Any retention or other action taken with such funds, if there is not a complete and timely report on file, shall result in the forfeiture of such funds to the state of Washington and shall be deemed a violation of chapter 42.17 RCW.~~

~~(2) Any subsequent report by a nonreporting committee of its contributions which is required by RCW 42.17.090 (1)(l) during the same calendar year may update its initial report by letter showing, in addition to its name and address, only reportable information which is new or changed since its last report.~~)) If an out-of-state or federal political committee fails to file a complete and timely report, the recipient shall forfeit the contribution to the state of Washington.