

CHAPTER 98, LAWS OF 1972 (42nd Leg., 2nd Ex. Session)

NOTE: New special toll-free telephone service offered to voters requesting in-depth information on state measures. See page 5 for details

# Regulating Certain Electoral Campaign Financing

AN ACT regulating certain electoral campaign contributions and expenditures; requiring organizational statements to be filed by campaign organizations; providing for reports of contributions over \$100 and expenditures over \$25 for or against candidates or ballot propositions from organizations other than those attempting to influence the success of two or more candidates (defined as "political committees"); prohibiting anonymous contributions exceeding \$10 and the division of larger contributions to conceal their sources; directing candidates to subscribe to a code of fair campaign practices; limiting campaign expenditures; requiring reports of political advertising by commercial advertisers; and subjecting designated violators to criminal negalties.

Vote cast by members of the 1972 Legislature on final passage: HOUSE: (99 members) Yeas, 60; Nays, 37; Absent or not voting, 2. SENATE: (49 members) Yeas, 46; Nays, 1; Absent or not voting, 2.

# Statement for

Referendum 25 represents a strict, realistic approach to the reporting and limiting of campaign contributions and expenditures without, as in the case of Initiative 276, destroying the participation of the average concerned citizen.

# Vote FOR Referendum 25—AGAINST Initiative 276 because:

1) Referendum 25 was drafted with intent of making it compatible with the Federal Elections Campaign Act of 1971. It was also drafted with the intent of keeping at a practical level the onerous burdens of campaign record keeping and reporting. Although this measure is not proposed as a model reporting act, it nevertheless will serve as a firm beginning point.

2) The concern shared by most voters is that those large contributions which may be unduly influencing political candidates or campaigns should be disclosed. Referendum 25 addresses that problem by requiring the disclosure of all contributions in excess of \$100.00. Initiative 276 on the other hand requires reporting of all contributions of money, labor, "donations" or "anything of value" in excess of \$5.00. Such a reporting would be ridiculous and would discourage participation on the part of the average person who might very well like to help a candidate in some small way but does not want to be publicly identified and possibly criticised or penalized for having done so. Discouraging individual participation in this manner would simply make the political candidate even more dependent upon the large contributor and the organized pressure group.

3) Referendum 25 represents the first piece of legislation enacted to regulate campaign contributions and expenditures

in this state. Under the provisions of this act, reports are required to be filed at periodic times by candidates, political committees, fund depositories, contributors and commercial advertisers. This will substantially eliminate the public's confusion as to the sources of campaign contributions and the extent of expenditures for public office.

4) The people have a right to be assured that candidates for public office make complete disclosure of major political contributions and expenditures, that candidates have no conflict between public trust and private influence, and that public officials will maintain a high level of honesty and integrity.

Referendum 25 is a strong step toward this goal.

Realistic campaign reporting YES; discourage political participation NO.

Vote FOR Referendum 25 and AGAINST Initiative 276.

Committee appointed to compose statement FOR Referendum Bill No. 25:

JAMES P. KUEHNLE, State Representative, Spokane; DAMON R. CANFIELD, State Senator, Sunnyside.

# The Law as it now exists:

Presently, candidates seeking nomination at a primary election must file a statement indicating the expenditures made for the purpose of obtaining their nomination. A violation of this requirement is a misdemeanor.

However, the present law applies only to primaries and not to general elections; additionally, the present law only relates to campaign expenditures and not to contributions.

# Effect of Ref. Bill No. 25 if approved into Law:

This act would apply to ballot measures such as initiatives, constitutional amendments and the like, and to candidates for all public offices except the President and the Vice-President of the United States, United States Congress, offices in fourth class municipalities, directors of school districts, offices in any less than county-wide district containing fewer than 5,000 registered voters, and precinct committeemen.

The act would define and regulate three separate types of committee organizations:

(1) Campaign committees—which work for or against the election of a single candidate only;
(2) Political committees—which work for or against the nomination of

two or more candidates for public office; and

(3) Proposition committees—which work for or against any ballot proposition

All three types of committees would be required to file statements of

organization listing their names and addresses, the names and addresses of their officers, and the candidates or propositions in which they are inter-

In addition, campaign and proposition committees as well as candidates themselves would be required to appoint campaign treasurers, to maintain themselves would be required to appoint campaign fleasurers, to maintain records of contributions and expenditures, and to make periodic reports identifying the sources of all campaign contributions exceeding \$100 and the objects of all campaign expenditures exceeding \$25. However, political committees (those which support two or more candidates) would not be subject to any of these record-keeping and reporting requirements. Political committees would also be excluded from certain other requirements of the act pertaining to the receipt and use of anonymous contributions and from most criminal penalties contained in the act.

The act would also limit the total amounts which may be expended in connection with the electoral campaigns which it would cover. Expenditures for or against any ballot proposition would be limited to \$100,000, and in the case of candidates for office the limitations would be either 10 cents per registered voter, or \$5,000, or a figure based upon the salary of the office sought, whichever is the greater.

commercial advertisers who display or communicate political advertising would be required to report the names and addresses of the persons from whom they accepted purchases of such advertising texcept political committees), together with the nature and extent of their services and the purchase price and manner of its payment.

Each candidate for an office covered by the act would be required to sub-(Continued on Page 108)

NOTE: Ballot title and the above explanatory comment were written by the Attorney General as required by state law. Complete text of Referendum Bill No. 25 starts on Page 69.

# Statement against

Referendum Bill 25 is a blatant attempt to deceive the people. House Bill 248 was so badly weakened by amendments that most of the original sponsors voted against it on final passage. As Referendum 25, it is like a shiny new carwithout an engine.

# Contributions of Goods and Supplies Go Unreported.

This means most monetary contributions would not be reported. Since no reports are required for contributions of supplies, printing, etc., contributors can remain secret by giving goods instead of money.

## Reports Required Only After Candidate Actually Files for Office.

This excludes most campaign contributions and many expenditures. Filing take place eight weeks before the primary election. Many campaign contributions are received months

## Can Avoid All Reporting.

By never formally announcing a candidacy, all reporting is avoided. Also, if two candidates form a committee together, no reporting is required at all.

#### Huge Gaps in Reporting Times and Administration.

Reports are required 20 days before primary elections and 10 days after primary and general elections. Contributions and expenditures made just prior to an election would not be known until afterwards-too late for the public to know what went on. Administration is left up to individual city clerks, county auditors, Secretary of State and the Legislative Ethics Committee (for legislators). Another heavy burden would be placed on city and county officials and uniformity would be impossible.

## No Reporting by Person Dealing with Own Funds or by Out-of-state Committees.

Even large contributions would go unreported if campaign bills are paid directly by someone using his own funds. Reporting can also be avoided by forming a committee out of state.

## No Restrictions on Incombents.

Referendum 25 does not prohibit use of office facilities or staff by an incumbent seeking re-election. This provides a great campaign advantage for incumbents.

Referendum 25 is a farce. Initiative 276 covers these glaring loopholes. Vote AGAINST Referendum 25. Vote FOR Initiative 276.

Committee appointed to compose statement AGAINST Referendum Bill No. 25:

ROBERT C. BAILEY, State Senator, South Bend; ART BROWN, State Representative, Seattle.

Advisory Committee: JOCELYN MARCHISIO, President League of Women Voters of Washington; JACK ROBERTSON Past-President, Washington Environmental Council; CAROL CHAPMAN, American Association of University Women; LOREN ARNETT, Washington State Council of Churches.

for a period of three years as a public record open to public inspection.

NEW SECTION. Sec. 10. There is added to chapter 131, Laws of 1967 ex. sess. and to chapter 44.64 RCW a new section to read as follows:

A lobbyist has the following obligations, the violation of which shall constitute cause for revocation of his registration, and may subject the lobbyist, and the lobbyist's employer if such employer aids, abets, ratifies, or confirms any such act of the lobbyist, to other civil liabilities, as provided by this 1972 amendatory act.

A lobbyist shall obtain and preserve all accounts, bills, receipts, books, papers, and documents necessary to substantiate the financial reports required to be made under this 1972 amendatory act for a period of at least two years from the date of the filing of the statement containing such items: PRO-VIDED, That if the lobbyist is required under the terms of his employment contract to turn any records over to his employer, responsibility for the preservation of such records under this subsection shall rest with such employer.

In addition, a lobbyist shall not:

- (1) Engage in any activity as a lobbyist in any session before registering as such;
- (2) Knowingly deceive or attempt to deceive any legislator as to any fact pertaining to any pending or proposed legislation;
- (3) Cause or influence the introduction of any bill or amendment thereto for the purpose of thereafter being employed to secure its defeat;
- (4) Knowingly represent an interest adverse to any of his employers without first obtaining such employer's written consent thereto after full disclosure to such employer of such adverse interest.
- (5) Exercise any undue influence, extortion, or unlawful retaliation upon any legislator by reason of such legislator's position with respect to, or his vote upon, any pending or proposed legislation.

Sec. 11. Section 3, chapter 150, Laws of 1967 ex. sess. and RCW 44.60.030 are each amended to read as follows:

The jurisdiction of the respective boards of ethics created by this chapter shall be strictly limited to the consideration of the conduct of the members of its own house ((and)), the conduct of employees of its own house, and the activities of legislative lobbying regulated under chapter 44.64 RCW.

NEW SECTION. Sec. 12. Section 5, chapter 131, Laws of 1967 ex. sess. and RCW 44.64.050 are each repealed.

NEW SECTION. Sec. 13. Any person damaged by reason of any violation of the provisions of this 1972 amendatory act by any person may maintain an action against such person. If damages are awarded in such action a reasonable attorney's fee may also be allowed by the court.

NEW SECTION. Sec. 14. The enactment of this 1972 amendatory act shall not have the effect of terminating, or in any way modifying, any liability, civil or criminal, which shall already be in existence at the date this act becomes effective. Nothing in this 1972 amendatory act shall be construed to in any way limit the power of the senate and house of representatives, or either of them, to adopt additional or supplementary rules regarding lobbying activities nor limit the right of any person to recover damages from any other person on account of any violation of this 1972 amendatory act.

NEW SECTION. Sec. 15. If any provision of this 1972 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.

<u>NEW SECTION.</u> Sec. 16. The rule of strict construction shall not be applied to the operation of this act, and this act shall be liberally construed to carry out the purposes hereof.

NEW SECTION. Sec. 17. This 1972 amendatory 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 20, 1972.

Passed the Senate February 19, 1972.

Received directly from the office of Chief Clerk, House of Representatives, and filed February 22, 1972 in the office of the Secretary of State.

A. LUDLOW KRAMER, Secretary of State

COMPLETE TEXT OF

# REFERENDUM BILL

25

CHAPTER 98, LAWS OF 1972

(42nd Leg., 2nd Ex. Session)

Ballot Title as issued by the Attorney General:

# **Regulating Certain Electoral Campaign Financing**

AN ACT regulating certain electoral campaign contributions and expenditures; requiring organizational statements to be filed by campaign organizations; providing for reports of contributions over \$100 and expenditures over \$25 for or against candidates or ballot propositions from organizations other than those attempting to influence the success of two or more candidates (defined as "political committees"); prohibiting anonymous contributions exceeding \$10 and the division of larger contributions to conceal their sources; directing candidates to subscribe to a code of fair campaign practices; limiting campaign expenditures; requiring reports of political advertising by commercial advertisers; and subjecting designated violators to criminal penalties.

LEGISLATIVE TITLE (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 29.18.140, chapter 9, Laws of 1965, section 9, chapter 150, Laws of 1965 ex. sess. and RCW 29.18.140; repealing section 29.85.270, chapter 9, Laws of 1965 and RCW 29.85.270; 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.

<u>NEW SECTION.</u> 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 interst 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.

<u>NEW SECTION</u>. 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.

<u>NEW SECTION.</u> 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, re-

ceiving 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.

<u>NEW SECTION.</u> 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 purposes 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.

<u>NEW SECTION</u>. 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 untrammeled 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"

<u>NEW SECTION.</u> 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.

<u>NEW SECTION.</u> Sec. 13. Commercial Advertisers' Duty to Report. (1)Within fifteen days after an election each commercial advertiser who has accepted and displayed or communi-

cated 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.

<u>NEW SECTION.</u> 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.

<u>NEW SECTION.</u> Sec. 17. Supervisory Authority Duties. The supervisory authority shall:

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 part 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 for 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."

<u>NEW SECTION.</u> 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.

<u>NEW SECTION.</u> 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.

<u>NEW SECTION.</u> 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.

Received directly from the office of Chief Clerk, House of Representatives, and filed February 24, 1972 in the office of the Secretary of State.

A. LUDLOW KRAMER, Secretary of State

COMPLETE TEXT OF

# Referendum Bill

**26** 

CHAPTER 127, LAWS OF 1972 (42nd Leg., 2nd Ex. Session)

Ballot Title as issued by the Attorney General:

# **Bonds for Waste Disposal Facilities**

AN ACT authorizing the issuance and sale of state general obligation bonds in the sum of \$225,000,000 to provide funds for the planning, acquisition, construction, and improvement of public waste disposal facilities; designating the state department of ecology as the agency responsible for disbursement of the bond proceeds, subject to prior legislative appropriations; and providing for payment of the bonds from unpledged state retail sales tax revenues or other means authorized by the legislature.

LEGISLATIVE TITLE (House Bill No. 186)

## WASTE DISPOSAL FACILITIES BONDS

AN ACT relating to state and local government and the support thereof; authorizing the issuance and sale of state general obligation bonds to provide waste disposal facilities throughout the state; providing ways and means to pay said bonds; providing for submission of this act to a vote of the people; adding new sections to Title 43 RCW; making an appropriation; and creating new sections.

BE IT ENACTED, by the Legislature of the State of Washington:

<u>NEW SECTION</u>. Section 1. The long-range development goals for the state of Washington must include the protection of the resources and environment of the state and the health and safety of its people by providing adequate facilities and systems for the collection, treatment, and disposal of solid and liquid waste materials.

NEW SECTION. Sec. 2. For the purpose of providing funds for the planning, acquisition, construction, and improvement of public waste disposal facilities in this state, the state finance committee is authorized to issue, at any time prior to January 1, 1980, general obligation bonds of the state of Washington in the sum of two hundred twenty-five million dollars or so much thereof as may be required to finance the improvements defined in this act and all costs incidental thereto. These bonds shall be paid and discharged within twenty years of the date of issuance or within thirty years should Article VIII of the Constitution of the state of Washington be amended to permit such longer term. No bonds authorized by this act shall be offered for sale without prior legislative appropriation of the proceeds of such bonds to be sold.

NEW SECTION. Sec. 3. The proceeds from the sale of bonds authorized by this act and any interest earned on the interim investment of such proceeds, shall be deposited in the state and local improvements revolving account hereby created in the general fund and shall be used exclusively for the purpose specified in this act and for payment of the expenses incurred in the issuance and sale of the bonds.

NEW SECTION. Sec. 4. The proceeds from the sale of the bonds deposited in the state and local improvements revolving account of the general fund under the terms of this act shall be administered by the state department of ecology subject to legislative appropriation. The department may use or permit the use of any funds derived from the sale of bonds authorized under this act to accomplish the purpose for which said bonds are issued by direct expenditures and by grants or loans to public bodies, including grants to public bodies as matching funds in any case where federal, local or other funds are made available on a matching basis for improvements within the purposes of this act.

Integration of the management and operation of systems for solid waste disposal with systems of liquid waste disposal holds promise of improved waste disposal efficiency and greater environmental protection and restoration. To encourage the planning for and development of such integration, the legislature may provide for special grant incentives to public bodies which plan for or operate integrated waste disposal management systems.

NEW SECTION. Sec. 5. As used in this act, the term "waste disposal facilities" shall mean any facilities owned or operated by a public body for the collection, storage, treatment, and disposal of liquid wastes or solid wastes, including, but not limited to, sanitary sewage, storm water, residential, industrial, and commercial wastes, and any combination thereof, and all equipment, utilities, structures, real property, and interests in and improvements on real property, necessary for or incidental to such purpose.

As used in this act, the term "public body" means the state of Washington or any agency, political subdivision, taxing district, or municipal corporation thereof, and those Indian tribes now or hereafter recognized as such by the federal government for participation in the federal land and water conservation program and which may constitutionally receive grants or loans from the state of Washington.

NEW SECTION. Sec. 6. 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 3, Article VIII of the Constitution of the state of Washington, and in accordance with the provisions of section 1, Article II of the Constitution of the state of Washington, as amended, and the laws adopted to facilitate the operation thereof.

NEW SECTION. Sec. 7. The state finance committee is au-

#### Initiative Measure No. 276

(Continued from Page 11)

The second part of this initiative would replace the existing law regulating lobbying activities. Like the present law, it would require lobbyists (with certain exceptions) to register before doing any lobbying. The term "lobbying," however, would be expanded to include activities in connection with all state regulatory agencies as well as the legislature, and also to include lobbying between legislative sessions. Unlike the present law, the initiative would require lobbyists to file itemized and detailed quarterly reports of their lobbying activities as well as weekly reports during legislative sessions. Employers of lobbyists would be required to file additional annual reports concerning their employment or compensating of state officials, and legislators would also file written reports concerning persons employed by them. The use of state funds for lobbying would be prohibited unless expressly authorized by law. All state agencies whose employees communicate with the legislators in accordance with the act would be required to file detailed quarterly reports concerning such employees and communications.

The third part of the initiative pertains to the financial affairs of candidates and elected officials at both the state and local levels. This part would require such candidates and officials to file periodic reports of a number of designated matters relating to their financial and business affairs, and would excuse any persons filing these reports from also filing the financial disclosure reports required by the existing statute pertaining to state officers.

The fourth major part of the initiative relates to "public records," a term which would be defined as including "... any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics." The initiative would require all such "public records" of both state and local agencies to be made available for public inspection and copying by any person asking to see or copy a particular record—subject only to certain exceptions relating to individual rights of privacy or other situations where the act deems the public interest would not be best served by open disclosure regardless of whether or not the particular record is one which the official having custody is required by law to maintain. This part of the initiative would also impose upon all state and local governmental agencies a great number of detailed requirements with respect to the maintenance and indexing of all their records.

The initiative would also establish a "public disclosure commission" to administer and enforce its provisions and would prescribe several procedures and penalties for its enforcement. And finally, the last section of the initiative states that if approved the initiative would repeal the provisions of Referendum Bills 24 and 25 in the event that these measures are also approved at this election. Those measures are discussed on pages 12 and 14 of this pamphlet.

# Referendum Bill No. 24

(Continued from Page 13)

voke lobbyist registration, enjoin lobbying activities, require filing of reports and recover treble damages for failure to file accurate reports. The boards could employ attorneys other than the attorney general. Individuals could also bring suit for damages.

The present law must be strictly construed because of its criminal penalties; however Referendum 24 expressly declares that its provisions shall be liberally interpreted in order to carry out its purposes.

Finally, this act should be compared with Initiative Measure No. 276, as described on page 10 of this voters' pamphlet, a portion of which also covers this same general subject.

#### Referendum Bill No. 25

(Continued from Page 15)

scribe to a code of fair campaign practices by which he would promise to uphold the principles of decency, honesty and fair play.

Persons violating the act would be guilty of misdemeanors and in most cases would be punishable by a fine of not more than \$500.

Finally, this act should be compared with Initiative Measure No. 276, as described on page 10 of this voters' pamphlet, a portion of which also covers this same general subject.

## Initiative Measure No. 43

(Continued from Page 33)

lowed to operate a permit system for developments which are not substantial upon delegation of such authority by the department of ecology.

upon delegation of such authority by the department of ecology.

This act would prohibit the issuance of any permits to drill for oil in Puget Sound, or (with certain exceptions) to construct any buildings of more than 35 feet above average grade level on shorelines which obstruct the view of a substantial number of residences on areas adjoining the shoreline. It would also limit commercial timber harvesting in shoreline areas. The initiative further would require a consumer protection notice of the applicability of its provisions to be given in connection with certain transactions pertaining to lands or waters subject to the act's provisions.

taining to lands or waters subject to the act's provisions.

Both Initiative Measure 43 and Alternative Measure 43B provide for comprehensive land planning and management programs. The principal differences between the two measures pertain to the relationships of state and local governments in the implementation of the respective acts and to the scope of geographical coverage. Alternative Measure 43B places a greater degree of responsibility and participation in local government than would initiative Measure 43 Geographically, Initiative Measure 43 would be applicable to all lakes and streams, while Alternative Measure 43B does not apply to lakes of less than 20 acres or (with minor exceptions) to portions of streams with a mean annual flow of 20 cubic feet per second or less. In addition, the initiative would apply to a 500 foot strip of lands adjacent to all waters covered thereby and their underlying beds, whereas the alternative measure applies to a 200 foot strip of such lands together with (in certain instances) other adjacent low lying areas.

Finally, the general consent of the state to the impairment of public navi-

stances) other adjacent low lying areas.

Finally, the general consent of the state to the impairment of public navigational rights by the retention of certain existing improvements which is contained in Alternative Measure 43B is not included in Initiative Measure 43. Instead, the initiative states that, except as permitted by it, "... there shall be no interference with or obstruction of the navigational rights of the public pursuant to common law as stated in such cases as the Washington Supreme Court decision in Wilbour v. Gallagher, 77 Wn. 2d 306 (1969)."

#### Alternative Measure No. 43B

(Continued from Page 35)

high water mark. Other activities expressly limited by the act include commercial timber harvesting on designated shoreline areas of state-wide significance and (with certain exceptions) the erection of structures over 35 leef in height above average grade level on shorelines where adjacent residential views on areas adjoining shorelines would be impaired.

This measure also grants the consent of the state to the impairment of the public rights of navigation and corollary rights caused by the retention of any structures, improvements, docks, fills or developments placed in navigable waters prior to December 4, 1969, except where they were placed in navigable waters in violation of state statutes or are in trespass.

able waters in violation of state statutes or are in trespass.

Both Initiative Measure 43 and Alternative Measure 43B provide for comprehensive land planning and management programs. The principal differences between the two measures pertain to the relationships of state and local government in the implementation of the respective acts and to the scope of geographical coverage. Alternative Measure 43B places a greater degree of responsibility and participation in local government than would Initiative Measure 43B does not applicable to all lakes and streams, while Alternative Measure 43B does not applicable to all lakes and streams, while Alternative Measure 43B does not applicable to alle so fless than 20 acres or (with minor exceptions) to portions of streams with a mean annual flow of 20 cubic feet per second or less. In addition, the initiative would apply to a 500 foot strip of lands adjacent to all waters covered thereby and their underlying beds, whereas the alternative measure applies to a 200 foot strip of such lands together with (in certain instances) other adjacent low lying areas.

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#### CERTIFICATION

As Secretary of State of the State of Washington, I hereby certify that I have caused the text of all laws, proposed measures, ballot titles, official explanations, etc. that appear within this publication to be carefully compared with the original such instruments now on file in my office and find them to be a full and true copy of said originals.

Witness my hand and the seal of the State of Washington this 20th day of September, 1972.



A. LUDLOW KRAMER Secretary of State