

WASHINGTON

CAMPAIGN FINANCE AND BALLOT MEASURE GUIDE

These resources are current as of 6/30/16. We do our best to periodically update these resources and welcome any comments or questions regarding new developments in the law. Please email us at advocacy@afj.org.

What's New in This Guide

The following changes/additions have been made since the previous version of this guide:

- ◆ Updated contribution limit amounts.
- ◆ Update regarding the PDC's interpretation of reporting requirements for lobbyist employers.
- ◆ Effective June 24, 2013, employees may authorize diversion of a portion of their wages or salary to a political committee via electronic communication.

This guide summarizes key aspects of *state* campaign finance law and regulations. It is not intended to provide legal advice or to serve as a substitute for legal advice. In some jurisdictions, city and/or county regulations may also apply to certain political activities. Check with the appropriate local jurisdiction before undertaking any activity.

Table of Contents

- I. **Contribution Limits and Source Restrictions**
 - a. Definition of “contribution”
 - b. Aggregate limits
 - c. Late contributions
 - d. Earmarked contributions
 - e. Legislative session freeze
 - f. Contributions from Lobbyists and Lobbyist Employers
 - g. Other statehouse limits
 - h. In-kind contributions
 - i. Entities prohibited from making contributions/Minimum number of contributors
 - j. Transfer of funds from candidate committee to other committee
 - k. Ballot measure restrictions
 - l. Affiliated entities
 - m. Anonymous contributions
 - n. Single contributor committees
- II. **Communications**
 - a. Issue Advocacy vs. Express Advocacy (Electioneering Communications)
 - i. Definition
 - ii. 24-Hour reporting for electioneering communications
 - b. Membership Communications
 - c. Independent Expenditures
 - i. Entities permitted to make independent expenditures
 - ii. Definition
 - iii. Exceptions
 - iv. Reporting
 - v. 24-Hour Reports for late political ads that are not electioneering communications
 - d. Disclaimers
 - i. General
 - ii. Sponsor Identification
 - e. Political Party Preference
 - f. Disclaimers for Independent Expenditures and Electioneering Communications
 - i. Standard disclaimer
 - ii. “Top Five Contributor” identification
 - iii. Radio advertising
 - iv. TV advertising
 - v. Telephone calls
- III. **Registration and Reporting Requirements**
 - a. In-State PACs
 - i. Definition
 - ii. Types

CONTRIBUTION LIMITS AND SOURCE RESTRICTIONS

- State contribution limits address contributions to state office, including the legislature and all state-wide offices. They also address all judicial races, county-wide offices, certain Hospital District Boards, Port Commissioners for the Ports of Seattle and Tacoma, City Councils, School Boards, and mayoral offices.
- Definition of “contribution”
 - (i) A loan, gift, deposit, subscription, forgiveness of indebtedness, donation, advance, pledge, payment, transfer of funds between political committees, or anything of value, including personal and professional services for less than full consideration;
 - (ii) An expenditure made by a person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate, a political committee, the person or persons named on the candidate's or committee's registration form who direct expenditures on behalf of the candidate or committee, or their agents;
 - (iii) The financing by a person of the dissemination, distribution, or republication, in whole or in part, of broadcast, written, graphic, or other form of political advertising or electioneering communication prepared by a candidate, a political committee, or its authorized agent;
 - (iv) Sums paid for tickets to fund-raising events such as dinners and parties, except for the actual cost of the consumables furnished at the event.

[RCW § 42.17A.005\(13\)\(a\)](#); [WAC § 390-05-210](#).

From ↓	To Candidates (Limits are per election, with primary, general, and special counted separately)			To Committees (Limits are per calendar year)		
	Statewide (non-legislative), Judicial, and Port Commissioners**	Legislative	County Offices, City Council, and Mayoral*	Non-candidate PACs	Parties	Ballot Measures
Individuals	\$2,000	\$1,000	\$1,000	No limit	No limit	No limit
PACs	\$2,000	\$1,000	\$1,000	No limit	\$5,500 (non-exempt) No limit (exempt)	No limit
Corporations	\$2,000	\$1,000	\$1,000	No limit	\$5,500 (non-exempt) No limit (exempt)	No limit

* Cities may have their own limits and campaign finance reporting requirements. Those limits and requirements may differ from PDC requirements, and are not included within this guide.

**These limits apply only to Port Commissioners of the Ports of Seattle or Tacoma.

[RCW §§ 42.17A.405, 410](#); [WAC § 390-05-400](#).

- Aggregate limits
 - An individual may give an unlimited total amount of contributions to all recipients in any given year, save for the restrictions on aggregate contributions made within 21 days of the general election (see immediately below, “late contributions”).
- PAC eligibility requirement
 - A PAC (whether in-state or out-of-state) may make a contribution to a WA state PAC *only* when the contributing PAC has received contributions of ten dollars or more each from at least ten persons registered to vote in WA (each of the ten individuals must contribute at least ten dollars). [RCW § 42.17A.442](#).
- Late contributions
 - Within 21 days before the general election, no contributor may donate over \$50,000 in the aggregate to a candidate for statewide office, or over \$5,000 in the aggregate to a candidate for any other office *or* to a political committee. This includes contributions to a party committee, as well as a candidate’s personal contributions to his or her own campaign, **but does not include contributions to ballot measure committees**. [RCW § 42.17A.420](#); *Family PAC v.*

McKenna et al., 685 F.3d 800 (9th Cir. 2011).

- Additionally, this restriction does not apply to contributions from the state committee of the WA State Democratic or Republican Party, or from the state committee of a minor party.
- Earmarked contributions
 - Contributors may give funds to candidates, political parties or other committees and “earmark” the funds to be used to promote a certain candidate, state official or ballot measure. Earmarked contributions count against the “original contributor’s” contribution limit (as opposed to the intermediary’s contribution limit). Earmarked contributions must be reported by the intermediary or conduit on Special Report E, sent to both the PDC and the benefitting candidate or committee, and must also be reported on the first Form C-4 report filed after the general election by both the intermediary/conduit *and* the benefitting candidate or committee.

RCW 42.17A.270; WAC 390-16-033.

- Legislative session freeze
 - Contributions may not be given from the 30th day before the start of the regular legislative session through end of session, or from the beginning to the end of a special legislative session. [RCW § 42.17A.560](#). The legislature meets every year, with the regular legislative session beginning in early January and running for 96 days.
- Contributions from Lobbyists and Lobbyist Employers
 - Lobbyists and employers of lobbyists are subject to additional reporting obligations, beyond those described in this summary.
 - Organizations that employ lobbyists must file a monthly political contribution report with the PDC on [Form L-3c](#) when they make one or more contributions to candidates or PACs, including to their *own* PAC, for any calendar month where the value of those contributions exceeds \$110. This report must include the value of not only the organization’s monetary contributions, but also the value of staff time and other resources that were devoted to assisting its PAC’s operations. This requirement can also be met through the lobbyist reporting the contribution on behalf of the organization on the lobbyist’s monthly report, i.e., on Form L-2.
 - ***Note: Special attention should be paid to this reporting requirement.*** Between September of 2015 and April of 2016, the State of Washington brought four separate lawsuits against non-

profit organizations for having failed to file the required L-3c forms discussed herein.

- For a detailed discussion of lobbyist and lobbyist employer obligations, see the [Washington Lobbying Disclosure Guide](#).
- Other statehouse limits
 - There are no limits on where contributions may be delivered, and no limits on accepting contributions from lobbyists, public-employee unions or other classes of state residents.
- In-kind contributions
 - The value of in kind contributions counts against contribution maximums. [RCW § 42.17A.005\(13\)\(c\)](#).
- Entities prohibited from making contributions/Minimum number of contributors
 - The following entities are prohibited from making contributions to legislative or state executive office candidates, to state officials against whom recall charges have been filed, or to political committees expecting to make expenditures supporting such recalls:
 - A corporation or business entity not doing business in Washington state (*i.e.*, does not conduct continuous and substantial activities so that it acquires a legal obligation);
 - A labor union with fewer than ten members who reside in Washington state; and
 - A political committee that has not received contributions of at least \$10 or more from at least ten persons registered to vote in Washington State in the preceding 180 days.

[RCW § 42.17A.405\(12\)](#).
- Transfer of funds from candidate committee to other committee
 - It is prohibited for a candidate or a candidate's authorized committee to transfer surplus funds to any other candidate or other political committee. Note, however, that this transfer of funds is not considered a "contribution" under Chapter 42.17A. [RCW § 42.17A.440](#).
- Ballot measure restrictions
 - There is no dollar limit on contributions to ballot measures. However, [reporting obligations](#), including [reporting of independent expenditures](#) and [large contributions](#) made shortly before the election, apply to ballot measure committees.

- Affiliated entities
 - The basic rule is that subsidiaries of a corporation, or local units of a trade association or labor union, share a contribution limit with the parent entity. However, if the parent organization does not “finance, maintain or control” the subsidiary, and the parent organization also does not “participate” with respect to a particular candidate by endorsing, contributing, or otherwise signaling its support for the candidate, each subsidiary maintains its own contribution limit. [RCW § 42.17A.455](#); [WAC §§ 390-16-307, 309](#).
 - Contributions by a husband and wife are considered separate contributions, but contributions of unemancipated children are attributed proportionally to the parents. [RCW § 42.17A.455](#).
- Anonymous contributions
 - Continuing political committees and ballot measure committees may receive anonymous contributions as much as \$300 or one percent of its total contributions received to date for its current campaign, whichever is greater. [RCW § 42.17A.220\(4\)](#).
- Single contributor committees
 - Contributions by a political committee with funds that have all been contributed by one person who exercises exclusive control over the distribution of the funds of the political committee is considered a contribution by the controlling person and thus counts against that person’s contribution limits.

COMMUNICATIONS

Issue Advocacy vs. Express Advocacy (Electioneering Communications)

- Along with [Independent Expenditures](#) (see below), Washington regulates “electioneering communications.” To qualify as an electioneering communication, a communication must possess *all* of the following four characteristics:
 - The communication clearly identifies at least one candidate for state, local, or judicial office;
 - Appears within 60 days of an election in the candidate’s jurisdiction;
 - Appears in one or more of the following media – radio, television, postal mailing, billboard, newspaper, or periodical; and
 - Either alone, or in combination with other communications by the sponsor identifying the candidate, has a fair market value of \$1,000 or more.

[RCW § 42.17A.005\(19\)](#).

- Electioneering communication rules do not apply to telephone calls, internet, email, or handbills. However, expenditures for such media may constitute reportable [independent expenditures](#).

WAC 390-05-505; WAC 390-17-410.

- Electioneering communications are treated either as [contributions](#) (if coordinated with the candidate, or as [independent expenditures](#) (if made without coordination with candidate). It is important to be aware of these distinctions, as contributions are subject to strict limits, and independent expenditures must include certain [disclosures](#) to the recipient and are subject to various [reporting](#) requirements.
- 24-hour Reporting for Electioneering Communications
 - All electioneering communications must be reported within 24 hours, whether sponsored by an individual, PAC or other entity.
 - To report an electioneering communication, the sponsor must file a [Form C-6](#) report electronically. The report must be filed within 24 hours of, or on the first working day after, the time the communication is first transmitted, mailed, erected, distributed, or otherwise published. [RCW § 42.17A.305\(2\)](#); [WAC § 390-16-060](#).
 - In addition to reporting these expenditures on Form C-6, PACs must also report electioneering communications on a C-4 or C-5 report, as described below in the [PAC reporting section](#). [RCW § 42.17A.305\(3\)](#).

Membership Communications

- Communications to an organization’s members are not contributions. The definitions of “contribution” and “independent expenditure” expressly exclude “[a]n internal political communication primarily limited to the members of, or contributors to, a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization.” [RCW §§ 42.17A.005\(13\)\(b\)\(v\), 42.17A.255\(1\)](#).
- There are no reporting obligations regarding membership communications, regardless of the amount expended on such communications.
- [Sponsor identification](#) is not required for political advertisements that are “internal political communications”, so long as it is “apparent on the face of the communication who the true sponsor or sponsors is of the political

advertising”. [PDC Interpretation 08-01](#). “Internal political communications” include:

- An internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization ([RCW 42.17A.005\(13\)\(b\)\(v\)](#));
- A mailed internal political communication primarily limited to the members of or contributors to a political party organization or political committee, or to the officers, management staff, or stockholders of a corporation or similar enterprise, or to the members of a labor organization or other membership organization ([RCW 42.17A.005\(19\)\(b\)\(vii\)](#)); or
- An internal political communication primarily limited to the contributors to a political party organization or political action committee, or the officers, management staff, and stockholders of a corporation or similar enterprise, or the members of a labor organization or other membership organization ([RCW 42.17A.255\(1\)](#)).

Independent Expenditures

- Entities Permitted to Make Independent Expenditures
 - Corporations and PACs may make unlimited independent expenditures.
- Definition
 - An “independent expenditure” is an expenditure for political advertising that:
 - Costs at least \$1,000 (either alone or in conjunction with other expenditures by the same sponsor benefiting the same candidate);
 - Supports or opposes a clearly identified candidate for state or local office;
 - Is paid for by someone other than a candidate, candidate’s authorized committee or agent; and
 - Is paid for by some individual or entity who undertakes the advertising without having received the benefiting candidate’s encouragement or approval or without collaborating with this candidate or the candidate’s agent or authorized committee.

[RCW § 42.17A.005\(26\)](#).

- Exceptions to Independent Expenditures
 - If an expenditure meets the legal definition of “contribution,” it is subject to limits and it is not independent. “Contribution” is defined in [RCW § 42.17A.005\(13\)](#) and [WAC § 390-05-210](#). For this discussion of independent expenditures, it is particularly important to keep in mind that the following are treated as contributions, rather than independent expenditures:
 - an expenditure made by a person in consultation or concert with, or at the request or suggestion of, a candidate; or
 - paying to distribute – partially or completely – a political ad prepared by a candidate, regardless of whether the ad is written, broadcast or in some other form.
 - The regulations exempt the following activities from being independent expenditures (these activities also are exempted from the definition of “contribution” [RCW § 42.17A.005\(13\)\(b\)](#)):
 - Ordinary home hospitality;
 - Communications that are primarily limited to an organization’s members (and do not include political ads prepared by the candidate);
 - Messages on reader boards, banners, or yard or window signs displayed on a person’s own property or the property occupied by a person. However, a facility used for such political advertising for which a rental charge is normally made shall be reported as an in-kind contribution at its fair market value and counts towards any applicable contribution limit of the person providing the facility; and
 - Work by volunteers and incidental expenses up to \$50 incurred by the volunteers which are personally paid by the worker.

[WAC § 390-16-313.](#)

- Reporting Independent Expenditures
 - PACs – All independent expenditures by PACs must be reported as part of the PAC’s periodic [C-4 Reports](#). [RCW § 42.17A.235](#); [WAC §§ 390-16-039, 390-16-041](#). If an advertising expense qualifies is both as an independent expenditure and as an electioneering communication, the sponsor must also comply with the more restrictive reporting requirements for electioneering communications. [WAC 390-16-063\(4\)](#). Also, the additional reporting obligations described below (24-hour reports) apply to IEs made within 21 days of the election. [RCW § 42.17A.255\(2\)](#).

- *Individuals and non-PAC entities* – If an individual, union, organization, business, out-of-state PAC or other entity that does not register with the Public Disclosure Commission makes independent expenditures of \$100 or more supporting or opposing a candidate, that person or entity must file a [Form C-6](#) report with the PDC. The first report is due within five days of when the expense is made. If the entity makes subsequent independent expenditures, additional reports must be filed, using the C-4 reporting schedule (i.e., the 10th of each month, and the 21st and 7th day before the election, and the 10th day of the month after the election). [RCW § 42.17A.255](#).
- In addition, if an entity other than an individual, a lobbyist's employer or a Washington State PAC makes independent expenditures totaling \$950 per year, it must report those expenditures on PDC [Form C-7](#) (Special Political Expenditures Report). The report must be filed by the end of February in the year following the activity. [RCW § 42.17A.630\(1\)](#). Employers of lobbyists must file a [Form L-3](#) rather than the Form C-7.
- 24-hour reports for late political ads that are not electioneering communications
 - In the final 21 days before an election, any individual, PAC or other entity that spends \$1,000 or more for independent expenditure political advertising, that is not within the definition of electioneering communication, distributed to the public must file a [Form C-6](#) report with the PDC. The C-6 report must be delivered to the PDC within 24 hours of, or on the first working day after, the date the advertisement was first published, mailed, or otherwise presented to the public. [RCW § 42.17A.260\(1\)](#). After making an initial filing, all additional independent expenditures of any amount must be reported in the same time frame. [RCW § 42.17A.260\(2\)](#). A political committee that sponsors independent expenditure ads must file a Form C-6, even though the same expenditures are also included in its Form C-4 filing. [RCW § 42.17A.103\(4\)](#).

Disclaimers

- Political advertising is defined to include any advertising displays, newspaper ads, billboards, signs, brochures, articles, tabloids, flyers, letters, radio or television presentations, or other means of mass communication, used for the purpose of appealing, directly or indirectly, for votes or for financial or other support or opposition in any election campaign.” [RCW § 42.17A.005\(36\)](#).
- Washington State requires the following basic disclosures on all political advertising, whether relating to a candidate or a ballot proposition, and

whether classified as a contribution, an electioneering communication, or an independent expenditure (although [electioneering communications](#) and [independent expenditures](#) have additional disclosure requirements:

- Sponsor Identification

- All written political advertising, whether relating to candidates or ballot propositions, must include the sponsor's name and address. This disclaimer must be set apart from any other printed matter and appear on the first page of the communication in at least 10 point type (or at type at least 10% of the largest size type used in ads such as billboards or posters). [RCW § 42.17A.320](#). An acceptable written disclaimer would be: "Paid for by the XYZ committee, mailing address, city, state, zip code." [WAC § 390-18-010\(4\)](#). All radio and television political advertising must include the sponsor's name, which cannot be an assumed name. This information must either be clearly spoken, or, on a TV ad, may appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background. [RCW § 42.17A.320\(4\)](#).
- The "sponsor" is the original source of the funds, not an agent who acts for another or who is reimbursed by another. [RCW § 42.17A.005\(42\)\(a\)](#). If more than one person sponsors specific advertising, each sponsor must be identified. However, if a person contributes in cash or in-kind to a candidate or political committee to assist in paying the cost of advertising, that donor is not deemed a sponsor, provided the contribution is reported in accordance with applicable provisions of chapter 42.17 RCW and Title 390 WAC. [WAC § 390-18-010\(3\)](#).
- Advertising consisting of more than one page but intended to be presented as a single item (e.g., three-page letter with return envelope) must identify the sponsor on the first page or fold of the advertising. Identification on an enclosed return envelope or the envelope in which the advertising is sent is insufficient. [WAC § 390-18-010\(5\)\(a\)](#).
- No ID is required on certain items for which it would be impractical, such as pens, bingo chips, water towers, yo-yo's, etc. [RCW § 42.17A.320\(6\)](#), [WAC § 390-18-030](#) (list of example items).

- Sponsor identification is not required for political advertisements that are “[internal political communications](#)”, so long as it is “apparent on the face of the communication who the true sponsor or sponsors is of the political advertising”. [PDC Interpretation 08-01](#), April 17, 2008.
- Political Party Preference – all political ads supporting or opposing a candidate for partisan office are required to identify the candidate’s party preference, but the PDC’s approved list of abbreviations may be used. [WAC § 390-18-020](#). This rule applies whether the sponsor is a candidate, a candidate’s committee, another political committee, an individual, or an organization, acting with the knowledge of or independent of the candidate. [RCW § 42.17.320\(1\)](#); [WAC § 390-18-020](#).

Disclaimers for Independent Expenditures and Electioneering Communications

- Standard Disclaimer
 - Political advertising undertaken as an independent expenditure or electioneering communication must meet the [disclaimer requirements for political advertising](#), below, as well as include the following standard disclaimer on the advertising:

“No candidate authorized this ad. It is paid for by (name, address, city, state.)”

[RCW § 42.17A.320\(2\)\(a\)](#); [WAC § 390-18-010\(4\)-\(6\)](#).

- Top Five Contributor Identification
 - In addition to the standard disclaimer, if the ad is sponsored by an entity other than an individual or a party organization, the following must also appear:

“Top Five Contributors” followed by a list of the names of the five persons or entities making the largest contributions in excess of \$700 to the committee during the 12 months before the ad runs. [RCW § 42.17A.320\(2\)\(b\)](#).

- If a political committee keeps records tracking contributions according to the use intended by contributors and subsequently makes independent expenditures supporting or opposing a candidate, that committee may identify the top five contributors giving for that purpose. [WAC § 390-18-025\(4\)](#).
- Political advertisements costing \$1,000 or more and supporting or opposing ballot measures sponsored by a political committee must

also include this Top Five Contributor identification. [RCW § 42.17A.320\(6\)](#); [WAC § 390-18-025\(3\)](#).

- The standard disclaimer and “Top Five Contributors” messages must also comply with the ID placement standards discussed in the section below, “[Disclaimers for Political Advertising](#).” The printed statements must be in at least 10-point type or in type at least 10 percent of the largest font size, whichever is larger. It must be set apart from other printed matter, and not subject to half-tone or screening. [RCW § 42.17A.320\(3\)](#).

- Radio Advertising

- For radio ads, the following statement must be clearly spoken:

*“No candidate authorized this ad. Paid for by
(name, city, state).”*

- In addition, top five contributor information, as discussed above, is required. Abbreviations may be used to describe contributing entities if the full name of the entity has been clearly spoken previously during the broadcast advertisement. [RCW § 42.17A.320\(5\)](#).

- TV Advertising

- TV advertising is subject to the same requirements as radio advertising, except that the information may either be included in the audio portion of the ad, or appear in print and be visible for at least four seconds, appear in letters greater than four percent of the visual screen height, and have a reasonable color contrast with the background. [RCW § 42.17A.320\(4\)](#).

- Telephone calls

- For independent expenditures – not including electioneering communications – all telephone calls, including live calls and robocalls, must include the following clearly spoken statement:

*“No candidate authorized this ad. Paid for by
(name, city, state).”*

- In addition, top five contributor information as described above must be included if the telephone call is sponsored by a political committee required to file with the Public Disclosure Commission. [RCW § 42.17A.320\(5\)](#); [WAC § 390-18-027](#).

REGISTRATION AND REPORTING REQUIREMENTS

Important Note: Seattle has extensive rules regarding registration and reporting by committees, entities making independent expenditures, and out of state political committees. Some of these rules diverge from State of Washington rules (e.g., Seattle requires that out-of-state committees report within five days of making a contribution ([SMC 2.04.270](#)), whereas Washington requires reporting by the 10th day of the following month, as discussed below; Seattle subjects all local units of an organization to a single contribution limit only if an entity above the local unit level contributes ([Election Code Rules 6A.1.](#)), whereas Washington conditions such attribution on “participation” – which includes endorsements without contributions – by an entity above the local level.) See [Seattle Ethics and Elections Commission website](#).

In-State PACs

- Definition of Political Committee (PAC) – Washington statutes require that an entity that formally organizes as a political committee – or that expects to receive contributions or make expenditures to support or oppose a candidate or ballot measure – must register as a political committee (PAC) with the Washington Public Disclosure Commission (PDC). [RCW §§ 42.17A.005\(37\), 42.17A.205](#).
- Types of PACs
 - *Bona Fide Political Party Committee* – official state, county central, or legislative district committee of a major or minor political party.
 - *Ballot Committee* – organized to support or oppose a particular ballot measure (the ballot measure number or description must be included in the committee’s registration).
 - *Other Committee* – any committee that does not qualify as either of the above committees; includes committees organized for more than one election season, such as business or labor committees and on-going political action committees. Also includes single year committees, such as slate committees that organize to support or oppose particular groups of candidates.
- In-State PAC Registration
 - A literal application of the statute would require every organization making any political contributions to register. As interpreted by the courts, PAC registration is required of any entity that:
 - receives contributions intended to be used to make political expenditures; or

- has as a primary purpose, making expenditures to support or oppose ballot measures.
See [PDC Interpretation 07-02](#) (May, 2007) (citing *Evergreen Freedom Foundation v. Washington Education Assn.*, 111 Wn. App. 586, 49 P.3d 894 (2002)). In practice, if an entity solicits contributions to support or oppose a ballot measure, or if its primary purpose is election-related, the entity must register as a PAC.
- To register, a PAC must file [Form C-1pc](#) within two weeks of when the PAC is formally organized or when it first expects to receive contributions, whichever occurs first. If a PAC is formed in the final three weeks before an election, registration is required within three business days. [RCW § 42.17A.205\(1\)](#); [WAC § 390-16-011](#).
- In addition to registering by mail or in person, PACs may [electronically file their Form C-1pc on the PDC's website](#).
- Form C-1pc must be amended:
 - Within 10 days of any change in the information contained in the form, unless the change is to update a committee's sponsor, which does not have to occur until 60 days before the election;
 - For recurring campaigns, when a campaign ends and the next campaign is beginning;
 - For committees that use the mini reporting option, each January as a condition for continuing as a mini reporting committee.
- In-State PAC Administration
 - *Corporate Support of a PAC* – A corporation or organization may pay for administrative expenses of its affiliated PAC, but all payments count as contributions to the PAC and must be disclosed on the PAC's reports (although there is no limit on such contributions). [RCW § 42.17A.005\(13\)](#).
 - **Note: Special attention should be paid to this reporting requirement.** In September and October of 2015, the State of Washington brought two separate lawsuits against PACs sponsored by labor unions for having failed to report the value of the administrative services provided for them by the unions.
 - *PAC Sponsor* – A PAC has a sponsor if it receives 80% or more of its contributions either from the sponsor or the sponsor's members, officers, employees, or shareholders; or the committee's sponsor collects contributions for the committee by use of payroll deductions or dues from its members, officers, or employees. Committees

may have a single, multiple, or no sponsors, and a committee's sponsor(s) may change over the course of the campaign. However, an individual or entity may sponsor only one political committee for the *same* elected office or ballot measure per election cycle. [RCW 42.17A.005 \(42\)\(b\)](#); [WAC § 390-16-011A](#).

- *Naming a PAC* - No two PACs may have the same name. [RCW § 42.17A.205\(3\)](#). A sponsored committee must include the sponsor's name; for committees with multiple sponsors, at least one sponsor's name must be included in the committee's name. [RCW § 42.17A.205\(5\)](#). Sponsored committees must amend their registration 60 days before an election in which it participates if the sponsor has changed. [WAC § 390-16-011A\(6\)](#).
- A corporation or labor organization may solicit anyone for contributions to its PAC, including non-members.
- Solicitation of payroll deductions intended to be used in the state, which may now be authorized electronically, must include disclosures comparable to federal law. [WAC § 390-17-100](#). Washington State also requires annual notification (by June 30) of the right to revoke the authorization. [RCW § 42.17A.495](#); [WAC 390-17-110](#). The notice must be delivered to the employee via direct communication (i.e., not website posting, bulletin board posting, etc.), and records of the notice must be preserved for five years. [WAC § 390-17-110\(3\)](#).
- The bank account of a registered PAC must be in a financial institution doing business in Washington, but it does not need to be opened in an in-state branch. See definition of "depository" at [RCW § 42.17A.005\(14\)](#); [RCW § 42.17A.215](#). (E.g., because Bank of America does business in Washington, it is permissible to have the committee's account at a Bank of America branch in Idaho.)
- A PAC's treasurer must be a "competent person" but not necessarily a Washington State resident. [RCW § 42.17A.210\(1\)](#).
- Public Inspection of PAC Records – The books of account must be open for public inspection by appointment at the designated place for inspections between 8:00 a.m. and 8:00 p.m. on any day from the eighth day immediately before the election through the day immediately before the election, other than Saturday, Sunday, or a legal holiday, and the books of account must be kept current within one business day during this time period (outside of this time period accounts must be kept current within five business days). The separate list of contributors giving \$25 or less to the committee

need not be included in these records for public inspection. It is a violation of this chapter for a candidate or political committee to refuse to allow or refuse to keep an appointment for an inspection to be conducted during these authorized times and days. The appointment must be allowed at an authorized time and day for such inspections that is within 24 hours of the time and day requested for the inspection. [RCW § 42.17A.235\(4\)](#). 2016 Public Inspection periods are from July 25 – Aug 1 (pre-primary election) and Oct 31 – Nov 7 (pre-general election).

- Records supporting all contributions and expenditures must be kept for five years after the election.
- In-State PAC Reporting
 - In-State PACs have two options for reporting their campaign finances: mini reporting or full reporting.
 - *Mini Reporting:* Continuing political committees that will raise or spend no more than \$5,000 and will receive no more than \$500 from any one contributor *in a calendar year*, and political committees organized for a specific campaign that will not raise or spend more than \$5,000 or receive no more than \$500 from any one contributor *during that entire campaign season*, may use the “Mini Reporting” option. PACs selecting the mini reporting option must file registration statement C-1pc at the start of the campaign and keep records of expenditures and contributions. In order to continue mini reporting from year to year, the PAC must file a C-1pc every January. [WAC § 390-16-105](#).
 - *Full Reporting:* Political committees that raise or spend over \$5,000 or who wish to receive more than \$500 from any contributor *must* use the full reporting method. This method is described in more detail in this section.
 - Electronic filing is mandatory for PACs that spent \$5,000 or more in the previous year, or anticipate spending \$5,000 or more in the current year. It is optional for other filers. [RCW § 42.17A.245\(1\)](#); [WAC § 390-19-030](#). Reports are to be filed electronically on the Public Disclosure Commission’s [website](#). Additionally, the PDC has developed free campaign finance reporting software, [ORCA](#), designed to meet the reporting requirements under RCW 42.17A.
 - Aggregate contributions received over \$25 must be itemized and list the contributor’s name and address. The treasurer must keep records of all contributions, in case an individual’s contributions aggregate to over \$25 for campaign.

- For continuing political committees (i.e., committees not tied to a candidate or ballot measure), the \$25 is aggregated per calendar year. [WAC § 390-16-039](#).
 - For candidates for legislative or executive office, the total is aggregated “per election,” with primary and general elections counted separately. [WAC §§ 390-16-031, 039](#).
 - For judicial candidates or ballot measure campaigns, the total is aggregated since the beginning of the campaign. [WAC §§ 390-16-031, 039](#).
 - If a contributor’s aggregate contributions to the entity total more than \$100, the person’s occupation and their employer’s name and address also must be provided. [WAC § 390-16-031](#).
 - PACs must report all expenditures, with the result that contributions to candidates and political committees outside Washington State are reflected on reports.
 - Exemption: A political committee is exempt from reporting if its sole purpose is either to support or oppose a candidate for office in a town or district that had fewer than 5,000 registered voters as of the last general election. [RCW § 42.17A.200](#).
- Reporting Schedule
 - See [2016 Key Reporting Dates for Committees](#).
 - The regular reporting schedule is:
 - Monthly reporting is due on 10th day of each month, if:
 1. no other reports are required in that month;
 2. the committee received a contribution or made an expenditure in the previous month; *and*
 3. since its last report, the committee either received more than \$200 in contributions or made more than \$200 in expenditures.

Such a report must be current through the last day of the previous month. [RCW § 42.17A.235\(2\)\(c\)](#). If the 10th of the month falls on a weekend or holiday, the report is due on the next business day;
 - 21 days before the primary and general elections, current through the 22nd day before the elections;
 - Seven days before the primary and general elections, current through the eighth day before the elections;
 - The tenth day of the month following the election; *and*
 - After June 1, all Washington PACs must also file weekly reports of their bank deposits using [Form C-3](#). These reports are filed

each Monday and are current through the Sunday before they are filed.

- Special Reports of Contributions of \$1,000 or More (24- and 48-Hour Reports)
 - During the 7 days before the primary election and 21 days before the general election, PACs must file [special reports](#) of contributions if they receive \$1,000 or more in the aggregate from a single source during that period – whether cash or in-kind or a combination. The special reports must disclose: the amount of the contributions, the date(s) received, the name/address of the donor, and the receiving campaign's name/address. Reports must be filed within 48 hours of receiving the contribution that triggers the report, or the first business day thereafter.
 - Similarly, if a committee *makes* one or more contributions totaling \$1,000 or more in the aggregate to a candidate or another political committee during these time periods, the committee must submit a [special report](#) disclosing: the amount of the contribution(s), the date(s) on which the contribution(s) were made, the contributing committee's name/address, and the receiving committee's name/address. Such reports must be submitted within 24 hours of making the triggering contribution, or on the first business day thereafter, and must be submitted to *both* the PDC as well as the committee or candidate to whom the contribution was made.
 - These reports may be filed [electronically](#) or in paper copy, and may be submitted via fax to (360) 753-1112 or email to pdcc@pdcc.wa.gov (keep in mind that regular C-3 or C-4 reports may *not* be submitted via fax or email).

[RCW § 42.17A.265.](#)

- 24-hour reports for Independent Expenditures of \$1,000 or more
 - As noted [above](#), in the final 21 days before an election, any individual, PAC or other entity that spends \$1,000 or more for independent expenditure political advertising, that is not within the definition of electioneering communication, must file a [Form C-6](#) report with the PDC. Such expenditures must be reported within 24 hours of, or on the first working day after, the date the advertisement was first published, mailed, or otherwise presented to the public. After making an initial filing, all additional independent expenditures of any amount must be reported in the same time frame. A political committee that

sponsors independent expenditure ads must file a Form C-6, even though the same expenditures are also included in its C-4 filing. [RCW § 42.17A.260](#).

- Special Report for Earmarked Contributions
 - If a political committee receives a contribution that is “earmarked” by the contributor for use by another candidate or committee, the recipient must notify the ultimate beneficiary and the PDC within two working days by giving them a copy of an “earmarked contribution” report (Special Report “E”). [RCW § 42.17A.270](#). Both the recipient and the beneficiary must include the contribution on their next report of contributions. [WAC § 390-16-033](#).
- Report Accessibility
 - Reports are posted on the [PDC’s website](#). Donors are disclosed publicly, and they are searchable by the contributor’s name.

Out-of-State PACs

- Definition – An out-of-state PAC is a political committee that:
 - Is located out of state *and*
 - Is currently organized primarily for engaging in campaign activities in another state, meaning it must:
 - be registered and actively filing campaign disclosure reports in one or more other states in the preceding two years;
 - have organizational documents showing it was originally formed and is currently organized for the purpose of making expenditures in another state or soliciting contributions for use in another state’s election campaigns; and
 - have spent *less than* twenty percent of its aggregate expenditures for all political campaign activity nationwide at any point in any calendar year to support and/or oppose Washington candidates for state, local and judicial office, Washington ballot measures and/or Washington political committees.

[WAC § 390-16-049\(2\)](#).

- Requirement to contribute to in-state PACs
 - A Political Committee organized outside of Washington state, including those committees filing with the Federal Election Commission, may contribute to a state candidate or PAC, or make expenditures to support or oppose candidates or ballot measures,

as long as the out-of-state PAC satisfies the requirement that it have 10 donors who are Washington voters and who have given at least \$10 each during the previous six months (see [RCW § 42.17A.405\(12\)](#)). [RCW § 42.17A.250](#).

- Timing and contents of report
 - An out-of-state PAC must register and report its activities by the 10th day of the month following the month in which it made its in-state contributions or expenditures over \$50.³ These reports must be filed on [Form C-5](#), regardless of whether the PAC also files reports with the FEC or another state's election agency. The C-5 reports must contain the following information:
 - The name and address of the out-of-state PAC;
 - The purpose of the out-of-state PAC;
 - The names, addresses, and titles of officers;
 - The name, office sought, and party affiliation of all candidates the committee is supporting or opposing, or, if all candidates of a party are supported or opposed, the name of the party;
 - Any ballot measure in Washington supported or opposed;
 - The name and address of each person in Washington State who has contributed at least \$25 to committee during current calendar year, with the amount contributed;
 - The name, address and employer of each person or corporation residing out-of-state who has contributed at least \$2,680 to the committee during current calendar year, with the amount and date of the contribution; and
 - The name and address of each person in Washington State to whom an expenditure of at least \$50 has been made in current calendar year.

[RCW § 42.17A.250](#); [WAC § 390-16-050](#).

- After the initial C-5 report is filed, subsequent contributions or expenditures trigger filing of additional C-5 reports. These are required by the 10th of the month after any additional contributions or expenditures of more than \$50 are made. Subsequent C-5 reports may simply supplement (i.e., update) the information contained in the original C-5 filing. [RCW § 42.17A.250\(2\)](#).
- In addition to filing the C-5 reports, an out-of-state PAC is subject to the [24-hour reporting and disclosure rules for electioneering](#)

³ If a committee satisfies this \$50 reporting threshold but does not meet the [criteria](#) for being an out-of-state committee, it must register and report as an in-state committee.

[communications](#), and to the [\\$5,000](#) limit on contributions and independent expenditures made within the 21 days before a general election, described above (this 21 day limit does not apply to ballot measure committees). The PDC staff asserts that the \$5,000 limit on contributions to a political committee within 21 days of the general election applies to transfers from out-of-state political committees to related Washington State Political committees.

PAC Termination

- To terminate, a PAC must label the final C-4 report as “final” in upper right section of the report. Any surplus funds in a non-candidate PAC may be returned to the contributor, given to the State, given to a political party, or given to charity. [RCW § 42.17A.430](#).

BALLOT MEASURES

- Ballot Measure Committees are subject to the same registration and reporting obligations as other PACs. The only differences between the two are:
 - Candidate committees are subject to contribution limits for the campaign as a whole. Candidate PACs, but not ballot measure PACs, are prohibited from receiving more than \$5,000 in the last 21 days before the election from a single contributor. All PACs, including ballot measure committees, are subject to the special reporting rules for contributions of \$1,000 or more in the last 21 days before the election.
 - The additional reporting obligations imposed on [Electioneering Communications](#) (political advertisements made within 60 days of an election) only apply to candidates, and thus Ballot Measure Committees are not affected by these additional obligations.
- Political advertisements costing \$1,000 or more and supporting or opposing *ballot measures* sponsored by a political committee must include [Top Five Contributor identification](#). [RCW § 42.17A.320\(6\)](#).

ENFORCEMENT AND PENALTIES

- The PDC makes available a multitude of information regarding past and pending enforcement actions, compliance tracking, investigation reports, litigation reports, and more. [PDC Enforcement and Compliance](#).

Civil Remedies and Sanctions

- If the court finds that the violation of any provision of this chapter by any candidate or political committee probably affected the outcome of any election, the result of that election may be held void and a special election held within sixty days of the finding.
- A person who violates any of the provisions of this chapter may be subject to a civil penalty of not more than \$10,000 for each violation. However, a person or entity who violates [RCW 42.17A.405](#) (contribution limits) may be subject to a civil penalty of ten thousand dollars or three times the amount of the contribution illegally made or accepted, whichever is greater.
- A person who fails to file a properly completed statement or report within the time required by this chapter may be subject to a civil penalty of ten dollars per day for each day each delinquency continues.
- A person who fails to report a contribution or expenditure as required by this chapter may be subject to a civil penalty equivalent to the amount not reported as required.
- The PDC has the authority to waive a fine for first-time violations, although in such cases a second violation of the same rule by the same individual will result in a fine, with succeeding violations of the same rule resulting in successively increased fines.

[RCW 42.17A.750\(1\)](#).

Referral for Criminal Prosecution

The PDC may refer the following violations for criminal prosecution:

- A person who, with actual malice, violates a provision of this chapter is guilty of a misdemeanor under chapter 9.92 RCW;
- A person who, within a five-year period, with actual malice, violates three or more provisions of this chapter is guilty of a gross misdemeanor under chapter 9.92 RCW; and
- A person who, with actual malice, procures or offers any false or forged document to be filed, registered, or recorded with the commission under this chapter is guilty of a class C felony under chapter 9.94A RCW.

[RCW 42.17A.750\(2\)](#).

CONTACT INFORMATION FOR STATE AND LOCAL AGENCIES

State Public Disclosure Commission

www.pdc.wa.gov

711 Capitol Way, Room 206
Olympia, WA 98504

Tel: 360-753-1111

Fax: 360-753-1112

Email: pdc@pdc.wa.gov

*Reports are *not* to be filed via fax or email.

Seattle Ethics and Elections Commission

www.seattle.gov/ethics

700 5th Avenue, Suite 4010
PO Box 94729
Seattle, WA 98124-4729

Polly Grow

Campaign Finance Auditor and Trainer
Tel: 206-615-1248

Written by Jim Oswald, Dmitri Iglitzin and Laura Ewan, Schwerin Campbell Barnard Iglitzin & Lavitt, LLP, 18 West Mercer St., Suite 400, Seattle, WA 98119. © Copyright 2016. These materials are copyrighted and may not be reproduced without permission.

FOR FURTHER ASSISTANCE

For assistance regarding these resources or for more information about federal law, please contact our attorney one-on-one counseling service:

Email: advocacy@afj.org
Telephone: 1-866-NPLOBBY
(675-6229)

For assistance regarding state law in Washington, please contact:

Dmitri Iglitzin
Schwerin Campbell Barnard Iglitzin & Lavitt
18 West Mercer Street, Suite 400
Seattle, WA 98119

Tel: 206-257-6003