



PUBLIC DISCLOSURE COMMISSION

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To: Members, Washington State Public Disclosure Commission
From: Lori Anderson, Communications & Training Officer
Date: June 20, 2013
Re: Anticipated Rule Making, July – December 2013

The Administrative Procedures Act requires agencies to prepare and file with the Code Reviser a semiannual agenda for rules under development. RCW 34.05.314. The Commission is not bound to proceed with this rule making, nor is rule making on other subjects precluded. The agenda is, however, intended to give interested persons advance notice of possible agency action, so the staff tries to identify all potential rule making. The following is a compilation of possible amendments to resolve issues raised in recent months as well as placeholders for rule making that may result from the Commission's August 2013 retreat.

1. Campaign contribution limits [WAC 390-05-400]:

- At the beginning of each even-numbered year, the Commission is required to increase or decrease the contribution limits enacted through Initiative 134 based on changes in economic conditions. RCW 42.17A.125. Starting the process this fall will allow any adjustments to take effect at the beginning of 2014.
- The newly enacted limits for candidates in certain hospital districts must be inserted in WAC 390-05-400 and adjusted so they align with limits in place for other candidates.

2. Disclosure threshold for out-of-state political committee reporting [WAC 390-16-050]:

An out-of-state political committee has a disclosure requirement when it spends \$50 to support or oppose a Washington State candidate or political committee. In addition to disclosing expenditure details, the committee must disclose contributions it received from Washington State contributors as well as major contributions it received in the calendar year. Annually, the Commission must modify the major contributor reporting threshold. RCW 42.17A.250(g).

3. Lobbyist Reports:

- A lobbyist employer who lobbies on behalf of its members or, as a representative entity, undertakes lobbying activities for businesses, groups, associations, or organizations, is required to disclose, at the time of registration, members or entities who have paid over \$500 in the last two years or are expected to pay over \$500 in the current year. RCW 42.17A.600(1)(i). The Lobbyist Registration

(PDC Form L-1) [WAC 390-20-0101] currently focuses on membership organizations. The form should be amended to make it clear that a representative entity must disclose all funders who have paid or will pay more than \$500.

- Lobbying-related entertainment expenditures exceeding \$25 per occasion must be itemized on the Lobbyist Monthly Expense Report (PDC Form L-2) [WAC 390-20-020]. RCW 42.17A.615(2)(a) requires disclosure of the total cost of the entertainment as well as a per-person cost. Instructions on the L-2 form only refer to the per-person cost, which has created confusion among lobbyists. The instructions should be amended to clearly state the disclosure requirements.
4. Internet advertising: Two rules may be updated to incorporate the Commission's new online advertising rules –
 - WAC 390-18-050 Commercial advertisers – Public inspection of records and
 - WAC 390-18-027 Medium that does not include a visual image.
 5. C-4 Report [WAC 390-16-041]: The Summary Of Total Contributions & Expenditures Report (PDC Form C-4) instructs campaigns to report expenditures made directly *or indirectly* to compensate a person or entity for soliciting or procuring signatures and to attach an itemization of the payment. The words *or indirectly* need to be removed from the form – requiring disclosure of indirect payments to signature gatherers was found to be unconstitutional. WIN v. Rippie, 9th Circuit (2000).
 6. Informal settlement procedures [WAC 390-37-090]: The Administrative Procedures Act allows agencies to establish by rule specific procedures for attempting and executing informal settlement matters. The Commission's procedures were last amended in 2006 to require penalty stipulations be provided to the Commission one business day before the hearing. The Commission may wish to review and update the procedures.
 7. Executive Director's duties [WAC 390-12-200]: The Commission may review the executive director's duties at the August 2013 retreat, which could result in changes to the rule.
 8. Personal Financial Affairs Statement (PDC Form F-1 & Supplement) [WAC 290-24-010]: This is another placeholder for potential rule making that may result from a review likely to occur during the August retreat. Additionally, the Commission has begun the process of converting to rule an F-1 related interpretative statement. That process was put on hold when Commissioner Degginger suggested improvements for the F-1 form. Staff believed it best to proceed with these items together on the same track and only after a more thorough review of the F-1 form.