

October 25, 2022

Public Disclosure Commission  
P.O. Box 40908  
Olympia, WA 98504

Chair Jarrett, Vice Chair Isserlis, and Commissioners Downing, Hayward, and Cooney,

I'm writing in my personal capacity regarding the Public Disclosure Commission's (PDC) rulemaking process to review the Fair Campaign Practices Act's (FCPA) statutory contribution limits, reporting thresholds and code values, in accordance with RCW 42.17A.125.

While I found the "Fair Campaign Practices Act – 2022 Inflationary Adjustment Chart" prepared by PDC staff to accompany the discussion of this matter at the Commission's October 27, 2022, regular meeting to be quite helpful, I've taken the liberty of modifying it slightly.

The enclosed version includes an added column – "Rate of inflation" – which, for each monetary threshold, indicates the difference between the current statutory dollar amount and the inflation-adjusted amount in 2022 dollars, expressed as a percentage. The chart has been sorted by this new column H so that the thresholds which have experienced the greatest inflation without adjustment appear at the top.

Because the statutory thresholds and the time since they were last updated span a wide spectrum that makes offhand comparison difficult, I would argue that viewing the thresholds based on the amount of inflation that has occurred since their last adjustment helps highlight which thresholds currently in effect differ most significantly from the policy originally established in statute and consequently are most in need of an inflationary adjustment.

Ideally, in my view, all monetary thresholds should be updated regularly and at the same rate to account for inflation. This would provide those regulated by the PDC with predictability and an even playing field while ensuring that that policies established by the people of Washington—whether through their elected representatives in the Legislature or via ballot initiative—are not warped or eroded over time.

This appears to be more or less the Legislature's view as well, given its directive in RCW 42.17A.125 that PDC inflationary adjustments "equally affect all thresholds" in the FCPA's three "general categories": (1) reports of campaign finance, (2) reports of lobbyist activity, and (3) reports of the financial affairs of elected and appointed officials.

I appreciate your consideration of this matter and would be happy to provide any assistance that might be helpful.

Sincerely,

A handwritten signature in black ink, appearing to read "Maxford Nelsen". The signature is fluid and cursive, with the first name "Maxford" and last name "Nelsen" clearly distinguishable.

Maxford Nelsen  
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Category	Threshold	Statutory Section	Statutory Value	Last changed	Current Value in Rule	Inflation adjustment for 2022	Rate of inflation
Campaign reporting	Unidentified contribution aggregate retention limit	.220(4)	\$300	1973 ch 1	n/a	\$2,478.00	726%
Campaign reporting	IE – reporting threshold	.255	\$100	1973 ch 1	n/a	\$826.00	726%
Lobbying reporting	Lobbying – employer entity membership dues	.600	\$500	1973 ch 1	\$1,450	\$4,130.00	726%
Lobbying reporting	Lobbying -expenditure reporting	.615	\$25 (entertainment)	1977 ch 313	\$50	\$149.00	496%
Lobbying reporting	Lobbying – agency exemption from lobbying maximum expenses	.635	\$15	1979 ch 265	\$25	\$74.00	393%
Campaign reporting	Minimum contributor reporting threshold	.235	\$25	1982 ch 147	n/a	\$87.00	248%
Campaign reporting	Minimum contributor reporting threshold	.240(2)(c)	\$25	1982 ch 147	n/a	\$87.00	248%
Campaign reporting	Minimum expenditure reporting threshold	.240(7)	\$50	1982 ch 147	n/a	\$174.00	248%
Lobbying reporting	Lobbying – exemption limited activity	.610	\$25	1982 ch 147	\$35	\$87.00	248%
Campaign reporting	Continuing PAC – monthly contribution reporting threshold	.225(2)	\$200	1982 ch 147	n/a	\$694.00	247%
Campaign reporting	Regular monthly contribution reporting threshold	.235	\$200	1982 ch 147	n/a	\$694.00	247%
Campaign reporting	Out-of-state PAC: Minimum contribution reporting threshold	.250	\$25 In-state contributor	1983 ch 147 (recodified 2003 ch 123)	n/a	\$84.00	236%
Contribution limits	Expenditure cash receipt	.425	\$50	1985 ch 367	n/a	\$158.00	216%
Lobbying reporting	Grassroots lobbying – minimum contribution threshold	.640	\$25	1985 ch 367	n/a	\$79.00	216%
Campaign reporting	Definition - contribution – volunteer services	.005(15)(b)(vi)	\$50	1989 ch 280	n/a	\$145.00	190%
Campaign reporting	Fundraising activity standards	.230	\$50 Auction	1989 ch 280	n/a	\$145.00	190%
Campaign reporting	Fundraising activity reporting	.230	\$50 cash receipts; donations; & contributions	1989 ch 280	n/a	\$145.00	190%
Campaign reporting	Out-of-state PAC - minimum expenditure reporting threshold	.250	\$50	1989 ch 280	n/a	\$145.00	190%
Campaign reporting	IE – minimum expenditure reporting threshold	.255	\$50	1989 ch 280	n/a	\$145.00	190%
Campaign reporting	Minimum pledge reporting threshold	.240	\$100	1989 ch 280	n/a	\$289.00	189%
Campaign reporting	Fundraising activity standards	.230	\$25 Event	1989 ch 280	n/a	\$72.00	188%
Lobbying reporting	Lobbying – employer reporting monthly contribution	.630	\$100	1990 ch 139	\$110	\$275.00	175%
Campaign reporting	IE – exclusion volunteer incidental expense	.255	\$50	1995 ch 397	n/a	\$110.00	120%
Lobbying reporting	Lobbying -expenditure reporting	.615	\$50 (food)	1995 ch 397	n/a	\$110.00	120%
Financial affairs reporting	F-1 – gifts (food)	.710	\$50	1995 ch 397	n/a	\$110.00	120%
Financial affairs reporting	F-1 – Travel expenses	.710	\$50	1995 ch 397	n/a	\$110.00	120%
Campaign reporting	IE Political advertising – special reporting threshold	.260	\$1,000	2001 ch 54	n/a	\$1,810.00	81%
Campaign reporting	LMC – reporting threshold	.265	\$1,000	2001 ch 54	\$1,500	\$1,810.00	81%
Lobbying reporting	Lobbying – large contribution reporting threshold	.625	\$1,000	2001 ch 54	n/a	\$1,810.00	81%
Campaign reporting	EC – minimum expenditure reporting threshold	.305	\$100	2005 ch 445	n/a	\$167.00	67%
Contribution limits	PAC-to-PAC contribution requirement – \$10-from-10 WA residents	.442	\$10	2011 ch 145	n/a	\$15.00	50%
Contribution limits	Limits – state parties and caucus committee & recalls	.405(4)	\$0.80 x eligible registered voters	2010 ch 206	\$1 x reg. voter	\$1.17	46%
Campaign reporting	Mini-reporting threshold	.110(8) & .135(7)	\$5,000	2010 ch 204	n/a	\$7,300.00	46%
Campaign reporting	Out-of-state PAC: Minimum contribution reporting threshold	.250	\$2,550 Out-of-state contributor*	2010 ch 204 *to be adjusted annually	n/a	\$3,723.00	46%
Contribution limits	Contribution limits – legislative and local office campaigns & recalls	.405	\$800	2010 ch 206	\$1,000	\$1,168.00	46%
Contribution limits	Limits – statewide and port district office campaigns & recalls	.405	\$1,600	2010 ch 206	\$2,000	\$2,336.00	46%
Contribution limits	Limits –legislative and local office recall campaigns	.405	\$800	2010 ch 206	\$1,000	\$1,168.00	46%
Contribution limits	Limits -- statewide and port district recall campaigns	.405	\$1,600	2010 ch 206	\$2,000	\$2,336.00	46%
Contribution limits	Limits – caucus committee	.405(7)	\$800	2010 ch 206	\$1,000	\$1,168.00	46%
Contribution limits	Limits – political party	.405(7)	\$4,000	2010 ch 206	\$5,500	\$5,840.00	46%
Contribution limits	Limits – Judicial office	.410	\$1,600	2010 ch 204	\$2,000	\$2,336.00	46%
Contribution limits	Limits – large contributions	.420	\$50,000 (statewide)	2010 ch 204	n/a	\$73,000.00	46%
Contribution limits	Limits – large contributions	.420	\$5,000 (other)	2010 ch 204	n/a	\$7,300.00	46%
Lobbying reporting	Lobbying – employer registration thresholds	.630	\$800 (IEs)	2010 ch 204	\$1,000 (IE)	\$1,168.00	46%
Lobbying reporting	Lobbying – employer reporting compensation for services by candidate	.630	\$800	2010 ch 204	n/a	\$1,168.00	46%
Lobbying reporting	Grassroots lobbying – registration threshold	.640	\$500 (1 mos)	2010 ch 204	\$700 (1 mos)	\$730.00	46%
Lobbying reporting	Grassroots lobbying – registration threshold	.640	\$1,000 (3 mos)	2010 ch 204	\$1,400 (3 mos)	\$1,460.00	46%
Financial affairs reporting	Financial affairs (F-1) disclosure – bank account, savings, insurance	.710	\$20,000	2010 ch 204	\$24,000	\$29,200.00	46%
Financial affairs reporting	F-1 – intangible property	.710	\$2,000	2010 ch 204	\$2,400	\$2,920.00	46%
Financial affairs reporting	F-1 – debt	.710	\$2,000	2010 ch 204	\$2,400	\$2,920.00	46%
Financial affairs reporting	F-1 – compensation from business	.710	\$2,000	2010 ch 204	\$2,400	\$2,920.00	46%
Financial affairs reporting	F-1 – compensation to affiliated business	.710	\$10,000	2010 ch 204	\$12,000	\$14,600.00	46%
Financial affairs reporting	F-1 – government unit (in which filer holds office) bank account at filer’s affiliated bank	.710	\$2,400	2010 ch 204	\$2,900	\$3,504.00	46%
Financial affairs reporting	F-1 – real property interest acquired, held, or sold	.710	\$10,000	2010 ch 204	\$12,000	\$14,600.00	46%
Financial affairs reporting	F-1 – real property interest by affiliated entity	.710	\$20,000	2010 ch 204	\$24,000	\$29,200.00	46%
Campaign reporting	Definition - electioneering communication	.005(21)(a)(iii)	\$1,000	2011 ch 145	n/a	\$1,450.00	45%
Contribution limits	Limits – County committee & leg. dist. Committee & recalls	.405(4)	\$0.40 x registered voters	2010 ch 206	\$.50 x reg. voter	\$0.58	45%
Lobbying reporting	Lobbying – employer registration thresholds	.630	\$16,000 (contributions)	2010 ch 204	\$20,000 (cont.)	\$23,000.00	44%
Campaign reporting	Definition - remediable violation	.005(46)(a)	\$1,000	2018 ch 304	n/a	\$1,240.00	24%
Campaign reporting	Incidental committee reporting top 10 contributors – threshold	.235	\$10,000	2018 ch 111	n/a	\$12,400.00	24%
Campaign reporting	Incidental committee regular monthly contribution reporting threshold	.235	\$200	2018 ch 111	n/a	\$248.00	24%
Campaign reporting	Minimum debt reporting threshold	.240(9)	\$750	2018 ch 304	n/a	\$930.00	24%
Campaign reporting	Definition - Independent Expenditure	.005(21)(a)(iii)	\$1,000	2019 ch 428	n/a	\$1,200.00	20%
Campaign reporting	Incidental Committee registration – expenditure threshold	.207(1)(a)(1)	\$25,000	2019 ch 428	n/a	\$30,000.00	20%
Campaign reporting	Sponsor ID - Top 5 & Top 3 PAC-to-PAC	.350	\$1,000	2019 ch 261	n/a	\$1,200.00	20%
Contribution limits	Contribution from written instrument	.475	\$100	2019 ch 428	n/a	\$120.00	20%
Financial affairs reporting	F-1 – reporting codes	.710	\$30,000 – \$1 million	2019 ch 428	See chart		n/a