## PROPOSED RULE MAKING



CR-102 (July 2022) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

## **CODE REVISER USE ONLY**

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DATE: October 17, 2023

TIME: 4:39 PM

WSR 23-21-091

Agency: Public Disclosure Commission								
⊠ Original Notice								
□ Supplemental Notice to WSR								
□ Continuance of WSR								
☑ Preproposal Statement of Inquiry was filed as WSR 23-12-001; or								
☐ Expedited Rule MakingProposed notice was filed as WSR; or								
☐ Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or								
☐ Proposal is exempt under RCW								
<b>Title of rule and other identifying information:</b> (describe subject) Title 390 WAC – Public Disclosure Commission. Chapter 390-20 WAC: Making inflationary adjustments for lobbying reporting; amending rules for grass roots (indirect) lobbying; clarifying miscellaneous lobbying rules; Chapters 390-05, -16 & -17: Adjusting and clarifying miscellaneous provisions of the campaign finance rules regarding inflationary adjustments.								
Hearing location(s):								
Date:	Time:	Location: (be specific)		Comment:				
December 7, 2023	9:30 a.m.	PDC office – 711 Capitol Way Olympia, WA 98504		Remote access available - Contact pdc@pdc.wa.gov				
Date of intended adoption: December 7, 2023 (Note: This is NOT the effective date)								
Submit written comm	ents to:		Assistance for persons with disabilities:					
Name: Sean Flynn			Contact Jana Greer					
Address: 711 Capitol Way S; Olympia, WA 98504			Phone: 360-753-1111					
Email: pdc@pdc.wa.gov				Fax: 360-753-1112				
Fax: 360-753-1112				TTY:				
Other:				Email: pdc@pdc.wa.gov				
By (date) November 30, 2023				Other:				
			By (date) December 5, 2023					

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The proposed rules would make inflationary adjustments to the lobbying reporting thresholds and amend the rules for grass roots (indirect) lobbying requirements, including implementation of HB 1317 (2023) and clarifying the reporting of grass roots lobbying activities. The proposed rules would make miscellaneous changes to the lobbying reporting rules, including technical changes and other clarifications. Finally, the proposed rules would make additional inflationary adjustments for campaign finance values as a follow up to prior rulemaking, and make miscellaneous changes to the campaign finance rules, including correcting references to reporting values that were previously adjusted for inflation.

Reasons supporting proposal: The Commission must consider revising monetary limits and reporting values every two-to-five years. Adjustments are made by rule in recognition of the economic changes as reflected in the inflationary index recommended by the Office of Financial Management and rounded off to be most accessible for the public. The economic conditions reflected in the current inflationary index warrant adjustments in monetary thresholds in regard to lobbying activities.

The grass roots lobbying law was amended through enactment of House Bill 1317 (2023). The rules for grassroots lobbying require considerations for implementation of the new law as well as addressing issues for clarification of the activities reportable for grassroots campaigns.

Amendments to the campaign finance rules, including inflationary adjustments, adopted earlier this year, require additional amendments to include and correct references to reporting values.

Statutory authority for adoption: RCW 42.17A.110,125, 630, 635, & 640							
Statute being implemented: RCW 42.17A.640							
Is rule necessary	y because of a:						
Federal Lav	w?		☐ Yes ⊠ No				
Federal Co	ourt Decision?		□ Yes ⊠ No				
State Court	t Decision?		□ Yes ⊠ No				
If yes, CITATION:							
Agency commer matters:	nts or recommendation	ons, if any, as to statutory language, implementation, e	nforcement, and fiscal				
	nt: □ Private □ Public						
Name of propone	ent: (person or organiz	ration) PDC					
Name of agency	personnel responsib	le for:					
	Name	Office Location	Phone				
Drafting:	Sean Flynn	711 Capitol Way S; Olympia, WA 98504	pdc@pdc.wa.gov				
Implementation:	Sean Flynn	711 Capitol Way S; Olympia, WA 98504	pdc@pdc.wa.gov				
Enforcement:		711 Capitol Way S; Olympia, WA 98504	pdc@pdc.wa.gov				
Is a school distri	ict fiscal impact state	ment required under RCW 28A.305.135?	☐ Yes ⊠ No				
If yes, insert statement here:  The public may obtain a copy of the school district fiscal impact statement by contacting:     Name:     Address:     Phone:     Fax:     TTY:     Email:     Other:  Is a cost-benefit analysis required under RCW 34.05.328?  □ Yes: A preliminary cost-benefit analysis may be obtained by contacting:     Name:     Address:     Phone:     Fax:     TTY:     Email:     Other:  ☑ No: Please explain: The Public Disclosure Commission is not required to prepare a cost-benefit analysis under RCW 34.05.328(5)(b)							
Regulatory Fairness Act and Small Business Economic Impact Statement  Note: The Governor's Office for Regulatory Innovation and Assistance (ORIA) provides support in completing this part.							
(1) Identification of exemptions:  This rule proposal, or portions of the proposal, may be exempt from requirements of the Regulatory Fairness Act (see <a href="https://chapter19.85 RCW">chapter 19.85 RCW</a> ). For additional information on exemptions, consult the <a href="https://exemption.guide.published.by.ORIA">exemption.guide.published.by.ORIA</a> . Please check the box for any applicable exemption(s):  This rule proposal, or portions of the proposal, is exempt under <a href="https://exemption.gov/RCW">RCW 19.85.061</a> because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.							
Citation and description:  This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34 05 313 before filing the notice of this proposed rule							

☐ This rule proposal, or portions of the proposal, is exempt under the provisions of <u>RCW 15.65.570(2)</u> because it was							
adopted by a referendum.  This rule proposal, or portions of the proposal, is exempt under <a href="RCW 19.85.025">RCW 19.85.025</a> (3). Check all that apply:							
	RCW 34.05.310 (4)(b)	⊠	RCW 34.05.310 (4)(e)				
	(Internal government operations)		(Dictated by statute)				
	RCW 34.05.310 (4)(c)		RCW 34.05.310 (4)(f)				
	(Incorporation by reference)		(Set or adjust fees)				
	RCW 34.05.310 (4)(d)		RCW 34.05.310 (4)(g)				
	(Correct or clarify language)		((i) Relating to agency hearings; or (ii) process				
			requirements for applying to an agency for a license or permit)				
☐ This rule	proposal, or portions of the proposal, is ex	empt under Ro	CW 19.85.025(4) (does not affect small businesses).				
☐ This rule	proposal, or portions of the proposal, is ex	empt under R0	CW				
Explanation	of how the above exemption(s) applies to t	he proposed ru	ıle:				
(2) Scope of exemptions: Check one.  ☐ The rule proposal is fully exempt (skip section 3). Exemptions identified above apply to all portions of the rule proposal.  ☐ The rule proposal is partially exempt (complete section 3). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using this template from ORIA):  ☐ The rule proposal is not exempt (complete section 3). No exemptions were identified above.							
(3) Small business economic impact statement: Complete this section if any portion is not exempt.							
If any portion of the proposed rule is <b>not exempt</b> , does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?							
<ul> <li>□ No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs.</li> <li>□ Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:</li> </ul>							
The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:							
Na	Name:						
	Address:						
	Phone:						
	Fax:						
	TTY: Email:						
	naii. ther:						
Date: Octob		Signatu	re:				
Name: Sean Flynn			6 M, -				
Title: General Counsel			5-79-				